

Assessing the Impact of the Scale-up of DFID's Support to Fragile States



Independent
Commission
for Aid Impact

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The Independent Commission for Aid Impact (ICAI) is the independent body responsible for scrutinising UK aid. We focus on maximising the effectiveness of the UK aid budget for intended beneficiaries and on delivering value for money for UK taxpayers. We carry out independent reviews of aid programmes and of issues affecting the delivery of UK aid. We publish transparent, impartial and objective reports to provide evidence and clear recommendations to support UK Government decision-making and to strengthen the accountability of the aid programme. Our reports are written to be accessible to a general readership and we use a simple ‘traffic light’ system to report our judgement on each programme or topic we review.

	Green: The programme performs well overall against ICAI’s criteria for effectiveness and value for money. Some improvements are needed.
	Green-Amber: The programme performs relatively well overall against ICAI’s criteria for effectiveness and value for money. Improvements should be made.
	Amber-Red: The programme performs relatively poorly overall against ICAI’s criteria for effectiveness and value for money. Significant improvements should be made.
	Red: The programme performs poorly overall against ICAI’s criteria for effectiveness and value for money. Immediate and major changes need to be made.

Executive Summary

The UK Government has committed to spending 30% of Official Development Assistance (ODA) in fragile states by 2014-15, an increase from £1.8 billion of bilateral ODA (2011-12) to £3.4 billion (2014-15). This review looks at how DFID has taken this forward, to assess whether it will achieve impact for intended beneficiaries.

Overall Assessment: Amber-Red

DFID has increased its focus on fragile states – countries which are prone to some of the highest levels of poverty, have intractably weak systems and create wider security challenges. This important ‘scale-up’ decision originated with the 2010 Strategic Defence and Security Review and was part of a cross-government agenda. The targeted volume of expenditure and the planned pace of the increases was out of step with the capacity of DFID, its partners and, most importantly, the countries themselves to deliver. It has taken DFID four years for scale-up to start to deliver impact. Transformative impact in fragile states will take a generation to achieve and is dependent upon development of in-country state capacity. This was insufficiently recognised at the start of scaling up, where increased funding was directly linked to assumed greater impact.

The experience of scale-up in fragile states provides lessons for future policy initiatives. The focus needs to be on spending well (and not just more) and on ensuring that absorptive capacity preconditions are in place, if enhanced expenditure is to have the optimum impact.

Objectives Assessment: Amber-Red

DFID has responded to the real needs and under-resourcing of fragile states with a scale-up of funding. Although the rationale was clear, the strategy was insufficiently developed. The process for determining scale-up created focus on what could be delivered rapidly and measured quantitatively. Initial targets and timescales were not realistic, however, given the fragile states context and, as a result, expenditure targets have since been revised downwards. Country offices are working hard to deliver and new corporate-level policies are being introduced to support this. UK Government departments work together well in fragile states.

Delivery Assessment: Green-Amber

At a bilateral level, DFID has become an organisation specialising in fragile states. Over time, it has made improvements to systems and processes to deliver scaled-up funds in a fragile state environment, many of which were not suitable when scale-up started. Positive changes include diversification of delivery partners and better management of fiduciary risk. There is an appropriate appetite for risk-taking at country office level to push boundaries; this should be more explicitly defined at corporate level. Inclusion of targeted infrastructure components in development projects has been successful and should be used more strategically.

Impact Assessment: Amber-Red

Transformative impact in fragile states will take many years to achieve and it is important that a realistic bar for success be set. Scaled-up funding, more coherent programming and increased focus on results have brought some influence and leverage at country level. Many programmes in our case-study countries are achieving specific planned results. There are, however, real challenges with sustainability of impact, rolling out pilot approaches and embedding them in locally-owned systems. At country level, more needs to be done, both to define the critical path from fragility and to track the effectiveness of the building blocks to be delivered by individual interventions. In many cases, there is limited evidence that trajectories are convincingly positive and will add up to reduction in fragility at a country level. It is not clear that the scale-up in funding is yet matched by an increased impact on overall fragility.

Learning Assessment: Green-Amber

At country level, there is good, innovative learning practice supporting both effective design of new, and redesign of older, programmes. At the start of scale-up, DFID had limited learning to guide programme choices. DFID now has an impressive fragile states research agenda, to build evidence in key areas such as state-building and political settlements. Learning in fragile states is driven at the country level by individuals; central learning processes and incentives for learning remain less strong.

Recommendations

Recommendation 1: DFID needs to develop fresh coherent guidance on working in fragile states, drawing on adaptations developed at country level, new research and learning and the evolved systems being developed in DFID centrally.

Recommendation 2: DFID should ensure that country-level targets realistically reflect the challenges of scaling up and the longer-term timescales needed for lasting impact in fragile states and calibrate funding accordingly. The targets should reflect the entire country portfolio, taking account of small as well as large programming through qualitative and quantitative targets.

Recommendation 3: DFID needs to provide guidance on the inclusion of targeted infrastructure components in development programmes to enhance sustainable impact in fragile states programming.

Recommendation 4: DFID needs to define its appetite for risk in fragile environments: there needs to be explicit alignment between the centre and the field about potential for failure and its consequences.

Recommendation 5: DFID should leverage its learning about operating in fragile states and take a clearer global leadership role with the international community to advance thinking on effective approaches.

1 Introduction

Introduction

1.1 The UK Government has committed to spending 30% of Official Development Assistance (ODA) to support fragile and conflict-affected states (collectively referred to henceforth as ‘fragile states’) by 2014-15.¹ DFID’s current approach to measuring this target excludes multilateral expenditure and expenditure through centrally managed programmes. As a result, DFID’s overall spending in fragile states is likely to be much higher than 30%. In 2010-11, £1.8 billion of bilateral ODA was spent in fragile states. By 2014-15, that will have risen to £3.4 billion.² This review assesses how well DFID – which contributes the majority of this funding – has implemented this commitment and whether the resulting increased expenditure in fragile states is achieving impact for intended beneficiaries.

The context of fragile states

What is a fragile state?

1.2 There is no single definition of a fragile state. DFID’s working definition of fragile states is ‘countries where the government cannot or will not deliver core state functions to the majority of its people, including the poor’.³ DFID’s list of fragile states draws on three different indices: the World Bank’s Country Policy and Institutional Assessment;⁴ the Failed States Index of the Fund for Peace;⁵ and the Uppsala Conflict Database.⁶ Annex A1 contains a map and tables setting out the 55 states categorised by DFID as fragile and identifying the 21 of these which are also included on its list of 28 priority countries, following the Bilateral Aid Review (BAR) in 2010.⁷

1.3 DFID’s list of fragile states covers a wide range of very different countries, including:

- middle-income countries, such as the Occupied Palestinian Territories and Indonesia;
- countries on the verge of graduating to stable developing states, for example Sierra Leone before the Ebola crisis took hold (when the fieldwork for this review was undertaken);
- countries that are fragile in some regions only, such as Ethiopia; and
- countries in actual conflict, in particular fragile states with asymmetric conflict.⁸

1.4 Other donors and international organisations use different definitions. As a result, there are several different lists of countries that are defined as fragile and conflict-affected.

Why is providing development assistance to fragile states important?

1.5 DFID stated in 2011 that ‘work to prevent and respond to conflict and fragility saves lives and reduces human suffering, it is essential for poverty reduction and progress against the Millennium Development Goals (MDGs) and it can help to address threats to global and regional stability’.⁹ It is unlikely to be possible to end extreme poverty without a concerted focus on fragile states:

- out of the seven countries unlikely to meet any MDGs by the 2015 deadline, six are fragile states;
- the eight most aid-dependent countries in the world are fragile states;¹⁰ and
- one third of the poor currently live in fragile states. By 2018, that share is likely to be a half and, by 2030, nearly two-thirds.¹¹

¹ *Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review*, HM Government, page 46, October 2010, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/62482/strategic-defence-security-review.pdf.

² *Working Effectively in Fragile and Conflict-Affected States: DRC and Rwanda*, International Development Committee, 2012, <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmintdev/1133/113304.htm>.

³ *Reducing Poverty by Tackling Social Exclusion*. A DFID Policy Paper, DFID, September 2005, http://www2.ohchr.org/english/issues/development/docs/social_exclusion.pdf.

⁴ See <http://data.worldbank.org/data-catalog/CPIA>.

⁵ See <http://ffp.statesindex.org>.

⁶ See http://www.pcr.uu.se/research/ucdp/program_overview.

⁷ *Bilateral Aid Review: Technical Report*, DFID, March 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/214110/FINAL_BAR_20TECHNICAL_20REPORT.pdf.

⁸ Arreguin-Toft, Ivan. *How the Weak Win Wars: A Theory of Asymmetric Conflict*, International Security, 2001, Vol. 26, Issue 1, pages 93-128, http://belfercenter.ksg.harvard.edu/publication/402/how_the_weak_win_wars.html?breadcrumb=%2Fpublication%2F1961%2Fhow_the_weak_win_wars.

⁹ *Working Effectively in Fragile and Conflict-Affected States: DRC and Rwanda – Twelfth Report of Session 2010-12*, Written Evidence to the International Development Committee, DFID, 2012, <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmintdev/1133/1133we02.htm>.

¹⁰ As measured by CPA/GNI ratio in 2012: *Fragile States Report 2015: Peaceful Societies for Sustainable Development*, OECD International Network on Conflict and Fragility, 2014.

¹¹ *Fragile States 2014: Domestic Revenue Mobilisation in Fragile States*, OECD, page 15, <http://www.oecd.org/dac/governance-peace/conflictandfragility/docs/FSR-2014.pdf>.

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1.6 In addition, fragility matters because of the risk it poses to regional and global stability. Many fragile states are conflict or immediate post-conflict states. Addressing fragility is considered to be important for international and UK security objectives. In 2011, the then Secretary of State told the International Development Committee (IDC) that 'the Government was committed to working in fragile and conflict-affected states because it was the right thing to do, and because it was in our national interest'.¹²

Women and girls are particularly affected by fragility

1.7 Women and girls are badly affected by fragility.¹³ In fragile states, factors such as a lack of access to basic services, a lack of access to justice and physical insecurity – all of which marginalise, discriminate against and impoverish women – can be particularly marked.

1.8 Weak state-society relations are found in most fragile states. As a result, many people in fragile states turn to traditional, religious and customary law, which can further disadvantage women.¹⁴ There is also an increased risk of gender-based violence in fragile states.¹⁵

Why is working in fragile states different?

1.9 Working in fragile states requires a different approach to development. Donors have to deal with a number of difficult issues which are specific to – or magnified in – fragile states, including:

- there is a constantly changing and unpredictable political context;
- the state is unable or unwilling to deliver basic services to citizens;
- it may not be possible to disburse funding through government systems;
- there is a limited range of implementing partners;

- access is difficult, especially to conflict-affected areas;
- measuring progress is difficult and things can get worse before they get better; and
- humanitarian requirements are recurrent.

1.10 A fundamental principle of work in fragile states is to 'Do No Harm'.¹⁶ Although this is an issue in all areas of development, the Organisation for Economic Co-operation and Development's (OECD's) Development Assistance Committee (DAC) recognises that the risk of doing harm – that is, creating unintended consequences or inadvertently making matters worse by, for example, creating divisions in society and worsening corruption and abuse – is particularly high in fragile states.^{17,18}

The UK's approach to the international challenge of fragile states

1.11 Work in fragile states has always been a key part of DFID's overall portfolio. DFID's current focus on fragile states is the product of a number of UK Government and international policy decisions.

1.12 The BAR in 2010 reduced the number of DFID priority countries from 43 to 28, of which 21 are considered to be fragile (see Annex A1). In parallel, the Strategic Defence and Security Review led to the 2010 commitment to spend 30% of UK ODA 'to support fragile and conflict-affected states and tackle the drivers of instability'.¹⁹ This decision was significantly influenced by security considerations, as well as by development needs. The then Secretary of State defended the decision, commenting that 'this is not a case of DFID being coerced to use its aid programmes to meet others' objectives'.²⁰

1.13 In 2010, DFID introduced a Practice Paper on working in fragile states. *Building Peaceful States and Societies* outlined a new, integrated approach, which put state-building and peace-building at the

¹² *Working Effectively in Fragile and Conflict-Affected States: DRC and Rwanda – Twelfth Report of Session 2010-12*, IDC, January 2012, <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmintdev/1133/1133.pdf>.

¹³ See <http://www.gsdrc.org/go/topic-guides/gender/understanding-gender>.

¹⁴ *Working Effectively in Conflict-Affected and Fragile Situations: Briefing Paper D: Promoting Non-Discrimination*, DFID, March 2010, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67701/building-peaceful-states-D.pdf.

¹⁵ *Gender in Fragile and Conflict-Affected Environments*, GSDRC, <http://www.gsdrc.org/go/topic-guides/gender/gender-in-fragile-and-conflict-affected-environments>.

¹⁶ Anderson, M.B., *Do No Harm: How Aid Can Support Peace – or War*, 1999.

¹⁷ See <http://www.oecd.org/dac/incafi/aboutthefragilestatesprinciples.htm>.

¹⁸ *Do No Harm: International Support for Statebuilding*, OECD, 2010

¹⁹ *Securing Britain in an Age of Uncertainty: Strategic Defence and Security Review*, HM Government, 2010, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/62482/strategic-defence-security-review.pdf.

²⁰ Mitchell, Andrew, *Development in a Conflicted World*, Speech, Royal College of Defence Studies, 16 September 2010, <https://www.gov.uk/government/speeches/development-in-a-conflicted-world>.

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centre of work in fragile and conflict-affected countries.²¹ This practice paper predated the process and experience of scaling up and has not been revised since 2010.

1.14 On the international front, DFID took a lead in discussions which led to the 2011 Busan New Deal for Engagement in Fragile States.²² The UK Government has endorsed this agreement, along with over 40 other countries and international organisations. It is now being piloted in a range of fragile states.²³

1.15 The Busan New Deal sets out five goals for peace-building and state-building: legitimate politics; security; justice; economic foundations; and revenue and services. It undertakes to support inclusive country-led and country-owned programming and commits donors to 'doing things differently': risk management that is better tailored to fragile contexts; timely and predictable aid; and building critical local capacities.

1.16 In 2011, the World Bank released the *World Development Report: Conflict, Security, and Development*.²⁴ This highly influential report draws on experience from around the world to offer ideas and practical recommendations on how to move beyond conflict and fragility and secure development.

1.17 In early 2012, the IDC published its report on *Working Effectively in Fragile and Conflict-Affected States: Democratic Republic of Congo (DRC) and Rwanda*.²⁵ The report questioned the rationale for DFID's patterns of spending in conflict-affected states and highlighted the lack of clarity about how priority countries had been identified. It also drew attention to the value for money and corruption risks of working in fragile states.

The UK has made major financial commitments to fragile states

DFID will meet its 30% target in 2014-15

1.18 The commitment to increase the proportion of money directed to fragile states to 30%, when added to the BAR (which resulted in 75% of DFID priority countries being fragile states), has transformed DFID's bilateral programming to focus on fragile states. DFID's planned bilateral expenditure in fragile states in 2014-15 is £3.4 billion, out of its overall budget of £10.3 billion. In 2014-15, therefore, DFID is expected to reach the target of spending 30% of its budget in fragile states, even without the contribution of other government departments, which contributed around 17% of total ODA (£1.96 billion) in 2012-13.²⁶

1.19 DFID calculates its expenditure in fragile states using only bilateral ODA figures. It has decided not to attempt to quantify the amount of aid expenditure in fragile states which is channelled through multilateral funds. This means that the total actually spent in fragile states – taking bilateral and multilateral expenditure together – is currently unclear. The way in which expenditure in fragile states is calculated, however, results in DFID spending more in fragile states than the target set (see Figure 1 on page 5).

1.20 In 2013, the UK Government reached its objective to invest 0.7% of Gross National Income through ODA.²⁷ As a result, aid expenditure levels in future are unlikely to increase significantly and may well fluctuate. Medium- and long-term financial planning may be more difficult and DFID will have to manage changes in country-level budgets.

²¹ *Building Peaceful States and Societies: A DFID Practice Paper*, DFID, 2010, <http://www.gsdr.org/docs/open/CON75.pdf>.

²² *A New Deal for Engagement in Fragile States*, International Dialogue on Peacebuilding and Statebuilding, 2013, <http://www.newdeal4peace.org/wp-content/uploads/2013/01/new-deal-for-engagement-in-fragile-states-en.pdf>.

²³ The New Deal pilot countries include Afghanistan, Central African Republic, Democratic Republic of Congo, Liberia, Sierra Leone, South Sudan, Timor Leste and Somalia.

²⁴ *World Development Report*, World Bank, 2011, http://siteresources.worldbank.org/INTWDRS/Resources/WDR2011_Full_Text.pdf

²⁵ *Working Effectively in Fragile and Conflict-Affected States: DRC and Rwanda - Twelfth Report of Session 2010-12*, IDC, January 2012, <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmintdev/1133/1133.pdf>.

²⁶ *Annual Report and Accounts 2013-14*, DFID, 2014, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/331591/annual-report-accounts-2013-14a.pdf.

²⁷ See https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/300084/Prov-ODA-GNI-2013a.pdf.

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Figure 1: Calculating the 30% commitment

The scale-up commitment is to spend 30% of ODA in fragile and conflict-affected states. It is measured using only bilateral expenditure (from DFID, the Foreign and Commonwealth Office (FCO), the Ministry of Defence (MOD) – including the Conflict Pool – and other Government departments).²⁸ Given that multilateral expenditure makes up approximately 45% of DFID's portfolio and that international policy/programmes make up a further 15% of the bilateral expenditure that cannot be allocated to specific countries, over 75% of DFID's country-level bilateral funding has to be in fragile states if the commitment is to be met. In fact, since a proportion of DFID's multilateral allocation will be spent in fragile states, the total is likely to be well above the 30% commitment.

DFID's scale-up in fragile states should be seen in the wider UK and international contexts

1.21 DFID's scale-up decisions came at a time when OECD figures indicated that the overall level of international aid to fragile states was falling,²⁹ although funding to fragile states has increased again since 2013:³⁰

- since peaking in 2005, the international volume of aid to fragile states followed an erratic but downward trend until 2012;
- global ODA to fragile states fell by 2.4% in 2011, at the point where DFID's scale-up was starting;
- aid to fragile states is volatile, shooting up by 25% from 2011 to 2012 and then decreasing by 4% from 2012 to 2013. Surges of support to a small number of states with global security implications drive this volatility;³¹ and
- political and economic pressures over the past four years have led to refocussing and reduction in fragile states expenditure by a

²⁸ DFID has not, to date, quantified in detail how much of its multilateral allocations are spent in fragile states. It is reliant on OECD data in this area and, whilst the OECD publishes data on the attribution of core multilateral funding to countries, including fragile states, these data are attributed to countries rather than based on actual expenditure. DFID does not currently use these data to monitor expenditure against its target. It does, however, use the data to attribute its core multilateral funding to countries, as set out in table B4 in the annex to DFID's 2013-14 annual report, available at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/331591/annual-report-accounts-2013-14a.pdf. DFID points out that not all multilaterals provide the OECD DAC with detailed information about their distribution of funds and the data are – of necessity – about two years out of date (the 2013-14 report sets out imputed expenditure for some multilateral organisations for 2012).

²⁹ *Fragile States 2014: Domestic Revenue Mobilisation in Fragile States*, OECD, 2014, <http://www.oecd.org/dac/governance-peace/conflictandfragility/docs/FSR-2014.pdf>.

³⁰ *Fragile States Report 2015: Peaceful Societies for Sustainable Development*, OECD International Network on Conflict and Fragility, September 2014.

³¹ *Fragile States Report 2015: Peaceful Societies for Sustainable Development*, OECD International Network on Conflict and Fragility, September 2014.

number of bilateral donors, including Canada (one of the ten largest donors before 2010).

1.22 DFID has, as a result of the scale-up decision, effectively become a specialist organisation for fragile states at the bilateral level. At the same time, DFID's commitment to fragile states has to be balanced against other spending commitments. For example, in January 2014, the Secretary of State announced that DFID would spend £1.8 billion on economic development by 2015-16,³² more than doubling the amount spent in 2012-13.

Our approach and methodology

1.23 For this review, we:

- examined the strategy and allocation process for scaled-up funds;
- reviewed the capability of both DFID and the delivery chain to absorb these funds; and
- assessed the quality and impact of programming of the funds.

1.24 We reviewed overall policies, guidance and processes for scale-up and delivery in fragile states with DFID at a corporate level. There are critical central areas of responsibility, such as influencing international partners (both multilaterals and through major initiatives such as the Busan New Deal) and cross-Whitehall work on fragile and conflict states. We met with a range of DFID central staff responsible for policy and guidance on fragile states in order to understand their overarching strategy, desired impact and the success of scale-up in fragile states. We explored how systems and processes have changed and met with key stakeholders in other government departments to understand the issues, challenges and new approaches in working with DFID in fragile states.

1.25 We reviewed scale-up in six countries. Country case studies were drawn from those receiving the most significant increases in funding, although we attempted to avoid countries which have already received several ICAI reviews. Four of the six

³² Greening, Justine, *UK Will Focus on Frontier Economic Development*, 27 January 2014, <https://www.gov.uk/government/news/greening-uk-will-focus-on-frontier-economic-development>.

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countries (Pakistan, Nepal, Sierra Leone and Yemen) were the subject of a desk review.

1.26 We made field visits to two countries, Somalia (including the office base in Kenya) and DRC:

- Somalia has experienced almost constant conflict since 1991 and faces major issues of fragility, with the militant group Al-Shabaab dominating rural areas in South Central Somalia. Somalia's population of 10.5 million is highly vulnerable and famine recurs on a regular basis; and
- DRC has a population of 79 million. Although no longer formally subject to civil war, conflict continues at local, regional and national levels. The UK is a relatively new player in this French-speaking country and is now one of the largest donors, spending over £150 million in 2014-15.³³

1.27 In reviewing Somalia, we spent time in Nairobi – DFID's main base – and travelled to Hargeisa (Somaliland) and Mogadishu. In DRC, apart from visiting the DFID office in Kinshasa, we travelled to the provinces of Kasai Occidentale in the South and North Kivu in the East. We reviewed overall country portfolios and 11 programmes across the two countries. These are described in Figure 2 opposite and Figure 3 on page 7. Further details can be found in Annex A4.

Listening to intended beneficiaries was important to our work

1.28 To ensure that we reached a sufficiently broad sample of stakeholders and intended beneficiaries and to capture the diversity of views, we contracted a team of regional and local consultants to undertake follow-up focus groups with key beneficiary groups in Somalia and DRC. The results of this beneficiary work are presented in Annex A5.

1.29 The main purpose of the focus groups was to ask beneficiaries about the impact of DFID's programmes. Consultants also interviewed key informants to identify how programmes contribute to state-building and how these interact with the root causes of instability and fragility.

1.30 Capturing the perspective of beneficiaries is an important part of our methodology, as it enables us to triangulate evidence from other stakeholders (DFID, implementing partners and country partners). Feedback from beneficiaries is fed into our assessment matrices, to ensure that we consider all evidence to identify consistent perspectives.

Figure 2: Programmes reviewed in Somalia

Sustainable Employment and Economic Development. This £23 million programme started in 2010 and aims to improve economic and employment prospects, targeting women and young people in conflict-affected communities in Somalia. We refer to it as **Somalia Economic Development**.

Somaliland Development Fund. This is a £25 million programme, jointly funded by DFID, Denmark and Norway (the Netherlands are also in the process of joining), to deliver a portfolio of high-priority infrastructure investments across a range of sectors, aligned to government priorities. We refer to it as **Somaliland Development Fund**.

Health. We reviewed the £38 million **Health Sector Consortium** and the £31.5 million **Joint Health and Nutrition Programme**. Health Sector Consortium is focussed on helping regional health authorities to implement essential health services, with a priority on family planning and maternal and child health. The Joint Health and Nutrition Programme is a pooled fund delivered by United Nations (UN) agencies. It aims to support sustained and improved reproductive, maternal and child health and nutrition outcomes for Somali women and children. We refer to these programmes as **Health Consortium Somalia and JHNP Somalia**.

Multi-year Humanitarian Programme. This £145 million programme has an emphasis on resilience: helping people to address food needs through different forms of agriculture. Its internal risk facility of £40 million over four years gives the Head of Office authority to approve up to £10 million each year, on the basis of early warning triggers and thresholds that have been surpassed. We refer to it as **Somalia Humanitarian**.

³³ At the start of 2014-15, DFID DRC had planned expenditure of £170 million but this was reduced in mid-2014.

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Figure 3: Programmes reviewed in DRC

Private Sector Development (PSD) in DRC. This programme started in 2012 and has a budget of up to £100 million over ten years. It aims to diagnose key constraints to PSD in DRC and design interventions to address them. We refer to it as **DRC Private Sector Development**.

Supporting peace and stability in Eastern DRC. The objective of this programme is to promote peace and stability in Eastern DRC, with funds of up to £80 million. No DFID funds had been disbursed at the time of our field visit. Since then, an initial portfolio has been finalised and £1.6 million has been disbursed. It will support national, multilateral and bilateral efforts to end conflict and build lasting peace. We refer to it as **Supporting Peace in DRC**.

Accès aux soins de santé primaires. This £180 million programme started in 2012. It supports 56 health zones (out of 515) in DRC, to provide at least six million people with access to essential primary and secondary healthcare services.³⁴ We refer to this programme as **DRC Primary Healthcare**.

Security Sector Accountability & Police Reform Programme. This is a £61 million, five-year programme to promote accountability of the security and justice sector and to support national police reforms to improve security and rule of law. We refer to it as **DRC Police Reform**.³⁵

Tuongane Community Driven Reconstruction. This £106 million programme, mainly in Eastern DRC, empowers rural communities to have a greater voice and help them to become active agents of their own development. We refer to it as **DRC Tuungane**.

Water, Sanitation and Hygiene. A number of programme elements come under the £159 million Water, Sanitation and Hygiene (WASH) umbrella in DRC. We reviewed 'Villages et Ecoles Assainis', which is implemented by the United Nations Children's Fund (UNICEF), and the Urban WASH programmes implemented by Mercy Corps. The former is a national programme which focusses on areas such as drinking water, waste disposal, household waste, cooking habits and general hygiene (including hand washing). The Urban WASH programme is based in Goma and focusses on water infrastructure, improved management and behaviour change. We refer to the two programmes we reviewed as **DRC UNICEF WASH** and **DRC Urban WASH**.

³⁴ Since our fieldwork, DFID has revised the number of beneficiaries upwards to 9 million. As there has been no census in DRC for many years, DFID is using estimates from the Ministry of Health, based on vaccination numbers.

³⁵ In November 2014, this programme was suspended by DFID, following a United Nations report on human rights violations during a 2013 police operation.

2 Findings: Objectives

Objectives

Assessment: Amber-Red 

2.1 In this section, we review how the overall strategy for scaling up in fragile states was put into effect at the country level. We also assess the central policies for scale-up in fragile states and how cross-Whitehall work on fragile states is evolving. We explore new DFID approaches in fragile states and we examine whether the decision to scale up aid in fragile states was based on sound and coherent allocation processes that reflected specific country contexts and the needs of intended beneficiaries.

The 'results offer' process distorted planning for scale-up

- 2.2 Scaled-up resources were allocated to country offices through a new process introduced in 2010 by the BAR. This process aimed to produce a clear rationale for country allocations and spending priorities.³⁶ Country offices were asked to set out the results that could be realistically achieved in their country over the four-year period from April 2011 to March 2015.
- 2.3 From July to September 2010, country offices developed these bids for scaled-up resources. Indicative budgets were agreed in December 2010 and implementation of the spending plans started in April and May 2011.
- 2.4 Country offices worked through the bidding process without major changes to guidance on working practices. There was limited clarification of the changes to systems needed to make DFID more fit for purpose as a specialist agency for delivering aid in fragile states. As timescales for the development of bids were short (around six weeks), analysis was often limited. This also led to a high degree of dependence on expanding existing programmes, rather than breaking new ground.
- 2.5 The process was competitive and some country management teams have admitted that the focus on large and quantifiable results encouraged overbidding. There was insufficient focus on what

was feasible, taking into account the capacity of the relevant government and the available delivery mechanisms.

- 2.6 The bids for our case study countries varied in scale, both in absolute and relative terms. This is set out in Figure 4 on page 9. More details can be found in Annexes A2 and A3. The numbers were very large. For example, the Pakistan bid amounted to an additional £1.7 billion – a 300% increase from 2011-12 to 2014-15. Over the same period, Sierra Leone's scale-up amounted to an increase of 476% over existing commitments.

Over-ambitious plans have since been revised to be more realistic and flexible

Expenditure targets have been revised downwards

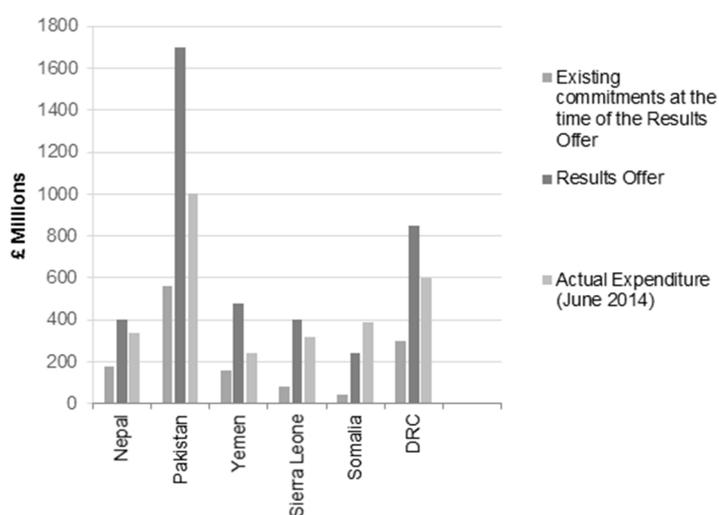
- 2.7 Scale-up plans at country level were unrealistic. By the time most Operational Plans, containing the final agreed 'results offer' amount signed off by the Secretary of State, were finalised in 2011, they had been revised down from the initial bids. These were further revised down in 2013. In a number of cases, results targets have similarly since been revised downwards. Figure 4 on page 9 demonstrates the level of reduction of expenditure targets: Pakistan and Nepal revised targets downwards by 18% and 23% respectively in 2011 and Pakistan revised targets downwards again in 2013 because of operational challenges. In DRC, the then Secretary of State halted the scale-up in 2012, following a visit to the country and a review of the programme. DRC expenditure targets were revised upwards in 2013, following a review by the new Secretary of State. Yemen significantly revised downwards its scale-up plans following the events of the Arab Spring in 2011. Only Somalia's spending targets have increased. This is the result of a later start to implementation – given the famine in 2010-11 – and the decision to include humanitarian expenditure in the totals, which was not in the original results offer.
- 2.8 The country offices in our case studies are now likely to meet their expenditure targets but only because these, and in some cases consequent

³⁶ *Bilateral Aid Review: Technical Report*, DFID, March 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/214110/FINAL_BAR_20TECHNICAL_20REPORT.pdf.

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results targets, have been revised downwards³⁷ (and in some cases the timescales to meet those targets have been extended by an additional year). The original results offer exercise may have been flawed due to the competitive nature of the bidding process and its timescales, but we do recognise that DFID has since shown greater realism in adapting plans and funding to circumstances.

Figure 4: Scale-up ambitions – and the reality



External factors will force plans to change

2.9 Planning and programming in fragile states will always need to be a dynamic and responsive process. External factors will continually require DFID to revise and change its plans.

2.10 We saw this in our case study countries (further details can be found in Annexes A2 and A3):

- Yemen's original bid and agreed results offer were effectively made obsolete by unforeseen political events during the 2011 Arab Spring. As a result, the Yemen Operational Plan, finalised in 2012, was based on a new set of assumptions, with a lower level of expenditure and a stronger focus on humanitarian assistance; and
- scale-up in Somalia was delayed by the 2010-11 famine, the severity of which was only becoming apparent during the results offer process.

³⁷ DFID DRC's expenditure was frozen in 2012, as discussed in paragraph 2.7. DFID DRC was able to achieve the new, frozen level of expenditure and the consequent slower scale-up.

Country offices recognise the importance of flexible programming in fragile states

2.11 Scaling up brings internal pressures towards fewer, bigger programmes. The unpredictability of fragile states, however, as well as the need to work experimentally – given that the body of research on what works in fragile states is still developing – requires smaller, more reactive or opportunistic programming or greater inbuilt flexibility. For example, DFID Nepal has used the Enabling State Programme for small-scale engagement in new areas, some of which (including right to information, public financial management and violence against women) have been expanded. There is a risk, however, that a 'flexible' programme can become an unstructured 'umbrella' programme, with no coherent strategy or with goals so general that it is impossible to identify impact or roll out on a wider scale. The business case for the Supporting Peace in DRC programme, for example, promotes it as a 'flexible, responsive funding instrument that incentivises synergy and enables multi-faceted approaches and adaptation'. DFID's Quality Assurance Unit questioned the broad scope of the portfolio and how decisions to stop components showing poor results or to scale up others which were producing good results would be made.³⁸ Our review echoes these concerns.

2.12 DFID's recently introduced Country Poverty Reduction Diagnostic (CPRD) tool is intended to help country offices to analyse the context in which programming choices are made and to enhance portfolio coherence. It could help country offices to design appropriate and achievable programmes.

2.13 We believe that the CPRD is a step forward but, nevertheless, we identified some important gaps in the CPRD process. The CPRDs which we reviewed had a section for looking at longer time horizons, but the primary focus was on the shorter term, whereas development plans in fragile states need to have a 15 to 20 year timeframe. We also noted that the CPRDs which we reviewed were generally focussed on DFID and did not detail

³⁸ Quality Assurance Unit – E DRC Peace and Stability Business Case recommendations and DFID DRC actions, Annex 13 to the Business Case.

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partner government priorities, commitments and capability or the work of the wider international community. As such, they may not contribute enough to the important work of partner co-ordination, to identify DFID priorities or ways of increasing impact through synergy.

Programme design needs to be context specific

Approaches to state-building in fragile states must take account of the absorptive capacity of the local context and expectations of beneficiaries

2.14 The traditional approach to development, built on a paradigm of capable, accountable and legitimate states, by definition does not hold in fragile states. Some of DFID's programmes in fragile states appear to assume that the government is an active and collaborative partner and that a key objective of development programming is to build its capacity.³⁹ This is true in some fragile states but not all. Emerging research suggests that basic service delivery does not always have the potential to contribute to state-building, especially when dealing with states as dysfunctional as Somalia or DRC.⁴⁰

2.15 In a number of the programmes which we reviewed, in both Somalia and DRC, we observed a 'missing middle'. We saw programmes that built good accountability systems and linked communities and basic services at the local level. In a number of cases, however, there was no capable or engaged state apparatus (at national, provincial and local levels) with which to connect, above the less formal local level. Beneficiaries of the health reform programmes in Somalia highlighted this problem. In two locations, they commented on the minimal involvement of the government, viewing non-governmental organisations (NGOs), instead, as the sole provider for basic primary healthcare services. The opportunity to build capacity in the state was, therefore, lost. Without engagement by higher-level

institutions, the potential for governance programmes to achieve sustainable change is limited. To be scalable and effective in the long term, supporting the development of effective state institutions, in particular at sub-national levels, is necessary.

2.16 We visited DFID's DRC Tuungane programme and found it to be an example of where conditions are not conducive to linking basic service delivery and state-building (see Figure 5 for more details).

Figure 5: DRC Tuungane

DRC Tuungane aims 'to build the state through community empowerment programmes', arguing that 'communities and local levels of government are active agents of development within a governance system that effectively addresses their priorities'.⁴¹ We found, however, that:

- there was little evidence of improved accountability and empowerment. Although the process has several opportunities for engagement between the communities and the local authorities, these have not been routinely taken up or necessarily resulted in higher degrees of trust and mutual support, in many cases as a result of weaknesses in local government structures and funding;
- despite efforts to involve established community structures to ensure continuity and ownership, sustainability is an issue;
- it was designed with a highly participatory and elaborate process, through which villagers select projects in a fair and transparent manner and about which beneficiaries spoke positively. The focus on achieving quantitative targets, however, led to short-term programme interventions and DRC Tuungane was more focussed on delivering 'assets' to communities than on local governance transformation; and
- a school had been built through the DRC Tuungane programme but was not delivering the expected impact because the teaching staff, who were supposed to be funded by the local government, were not being paid. Our beneficiary survey highlighted instances where poor quality infrastructure had been built.

2.17 It was not clear to us that DFID takes sufficient account of the views of community beneficiaries when designing programmes. We believe that this is particularly important in fragile states, as beneficiaries may have very different ideas about what they expect the state to deliver. Further evidence is provided in Annex A5. By way of example, our field work and our beneficiary research showed that:

³⁹ *Building Peaceful States and Societies: A DFID Practice Paper*, DFID, 2010, <http://www.gsdr.org/docs/open/CON75.pdf>.

⁴⁰ Overall, the SLRC review finds that there is limited evidence, of mixed quality, about social protection and basic services in conflict-affected situations, including about how far delivering social protection and services contributes towards state-building.' See: R. Slater et al, *Social Protection and Basic Services in Conflict-Affected Situations: What Do We Know?* Overseas Development Institute, 2012, http://www.securelivelihoods.org/publications_details.aspx?resourceid=146&Page=3.

⁴¹ *Programme Purpose Statement. Programme Memorandum Tuungane extension final*, DFID, 22 January 2010, page 5.

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- Somaliland Development Fund is well aligned with government priorities but we saw less evidence that the process for selecting projects for investment took account of beneficiary priorities. Ministers were viewed as proxies for their citizens and there was a high focus on gaining their buy-in, as opposed to that of their constituents;
- although DRC Police Reform has set up community consultation 'Forums de Quartier', which have been used to shape and refine programme delivery, the ultimate community beneficiaries told us that they had merely been informed of the programme, after it had already been designed; and
- community beneficiaries of the DRC Primary Healthcare programme have strong and nuanced views on the issues faced by the health sector, as well as areas of current effective service provision, which could have enhanced programme design.⁴²

The Busan New Deal sets out key principles but there are differences in expectations between DFID and country partners

- 2.18 Somalia and Sierra Leone are Busan New Deal pilots and DRC is to become one. The New Deal provides a framework to incentivise the partner government to improve systems and accountability.⁴³ DFID country offices can make good use of these incentives in programme development. We noted, however, that although DFID's Conflict, Humanitarian and Security Department (CHASE) has been providing support to countries with New Deal pilots, there is no formal guidance collated, considered and disseminated to country offices from the centre on how to navigate New Deal issues in fragile states.
- 2.19 We also noted a misalignment of expectations in relation to the New Deal. Partner governments, for example in Somalia, believe that the New Deal implies a rapid shift to general budget support. The UN system assumes that it means a shift from targeted DFID programming to un-earmarked, UN-administered trust fund mechanisms. To DFID, the

New Deal is a 'how' – a support to transparent partnership working; to the partner government, the New Deal is a 'what' – a shift to budgetary aid. There is a tension created by the New Deal's emphasis on partner government institutions for delivery in the very places where their capacity is weakest. The implementation of the New Deal will need to take this into account.

Humanitarian and development programming cannot be separated or traded-off in fragile states

- 2.20 We saw some operational plans in fragile states which were based on an assumption that, as development expenditure increases, humanitarian requirements will diminish. The reality, however, is that humanitarian needs do not disappear in the short – or even the medium – term in fragile states. We would, therefore, question efforts to trade off humanitarian spending with development in DFID's planning assumptions.
- 2.21 Humanitarian assistance and Poverty, Hunger and Vulnerability programming constitute 80% of DFID Yemen's portfolio, for example. Any theory of change that suggests humanitarian requirements in Yemen will reduce in a three- to five-year horizon is unrealistic. In our view, building resilience, through multi-year flexible funding, along the lines of the recommendations in our review of the UK Humanitarian Emergency Response in the Horn of Africa⁴⁴ and our review of DFID's Humanitarian Response to Typhoon Haiyan,⁴⁵ is the right approach.
- 2.22 We observed new and positive thinking initiated by DFID Somalia around a multi-year humanitarian programme, incorporating both resilience and rapid response (see Figure 6 on page 12). We note that other countries, including Yemen and Pakistan, are adopting similar approaches.

⁴² More details of our beneficiary survey are in Annex A5.

⁴³ See <http://www.newdeal4peace.org/wp-content/uploads/2013/01/new-deal-for-engagement-in-fragile-states-en.pdf>.

⁴⁴ *Humanitarian Emergency Response Review*, DFID, March 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67579/HERR.pdf.

⁴⁵ *Rapid Review of DFID's Humanitarian Response to Typhoon Haiyan in the Philippines*, ICAI, March 2014, <http://icai.independent.gov.uk/wp-content/uploads/2014/03/ICAI-Philippines-report-FINAL.pdf>.

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Figure 6: Somalia Humanitarian: new approaches

DFID Somalia is introducing multi-year humanitarian programmes, rather than annual commitments, enhancing consistency in planning. There is an emphasis on resilience, helping people to address food needs through different forms of agriculture (of the estimated 10.5 million population, 2.3 million Somalis are on the margins of food insecurity).

The programme's internal risk facility allows the Head of Office to approve up to £10 million each year over the four years of the programme, which can save three to four months in mobilising resources at early warning points. There is a large and structured research and third party monitoring component. This adds cost but, in a context where there is limited knowledge and few answers, it is designed to pay for itself by targeting and improving programming and adding to DFID's learning of what works in fragile states.

Country portfolios have changed considerably

- 2.23 In DRC, Sierra Leone and Pakistan, DFID country offices took the scale-up opportunity to engage more broadly across sectors and now manage a broad and diversified portfolio. Sierra Leone took on a substantial new commitment in education and all three countries enlarged commitments in wealth creation and governance and security.
- 2.24 In contrast, DFID Somalia decided to withdraw from the education sector. Although it is right that DFID is not trying to address every issue in every sector, it nevertheless needs to make sure that the system as a whole is covering critical issues and gaps. Although there are now plans developed for European Union (EU) interventions in South Central Somalia, as well as the existing EU programmes in Somaliland and Puntland, the mobilisation has been slow and will start from 2015. This has left a key aspect of development in Somalia relatively untouched, despite its importance, which was stressed to us in our meetings with, for example, the Prime Minister's Office in Mogadishu. There need to be joined-up plans across all key donors with regard to the landscape of support in such states.
- 2.25 Recent trends in development have been to encourage donors to focus their efforts, thus reducing overlap and the burden of transaction for the partner government. There are, however, good reasons why – in some fragile states – DFID might choose to cover a broader range of sectors. There are often fewer active donors in fragile states and

so there is less likelihood of overlap and duplication. In addition, a broad portfolio is likely to give DFID greater access and influence with the partner government, in particular as a result of competent sectoral advisors.

There are tensions between central programmes and bilateral country programmes

- 2.26 Tensions have been created as a result of the increase of resources to devolved country offices, at the same time as DFID is launching big programmes operating in the same countries from the centre. Good communication between country offices and centrally managed programmes is important to ensure coherence and alignment, to share lessons and to supplement oversight from DFID headquarters. We saw little evidence of systems to inform country office teams routinely about central programme plans, decisions and progress on delivery.
- 2.27 As noted in paragraph 2.24, DFID Somalia decided to exit the education sector. A further issue emerged when, shortly afterwards, the centrally managed Girls Education Challenge Fund instigated substantial programming in Somalia.⁴⁶ As DFID Somalia no longer has an education advisor, having agreed that the EU would take responsibility for this sector, it has proved difficult to monitor or build influence through the programme.
- 2.28 This issue has now been recognised at the centre. Tensions between centrally managed and country programmes may be addressed by the new protocols for co-ordination and communication that have been recently developed at the corporate level.⁴⁷
- Infrastructure is an important element in fragile states programming*
- 2.29 Research commissioned by DFID shows that infrastructure needs are important in fragile states.⁴⁸ Investment in infrastructure can put what

⁴⁶ See <https://www.gov.uk/girls-education-challenge>.

⁴⁷ Centrally Managed Programmes: A Protocol, DFID, July 2014.

⁴⁸ 'Infrastructure needs in FCAS reflect in an intensified form the problems of underinvestment, lack of maintenance and weak institutional and policy framework that apply across most low income countries.' *Supporting Infrastructure Development in Fragile and Conflict-Affected States: Learning from Experience*, Annotated Bibliography, UKAid/Oxford Policy Management, July 2012,

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is lacking or has been destroyed in place (as we saw in the various health programmes in DRC and Somalia and with DRC Police Reform). It can serve to create community cohesion (as with the DRC urban WASH programme 'Improved WASH for Goma's Poor' or the Somaliland Development Fund), to leverage good governance practices at a community level and to increase the accountability of authorities (as DRC Tuungane did).

- 2.30 We saw some good examples of infrastructure programming in our case study countries. These included large-scale road construction and water systems in DRC, significant high-priority investments through Somaliland Development Fund and smaller-scale infrastructure integrated into wider programming, such as the construction of police facilities within the DRC Police Reform programme. We also saw poorer practices, where build quality was poor (as in the DRC Tuungane programme), where there was lack of apparent focus on the local-level health centre infrastructure (as in JHNP Somalia, despite the critical importance of this identified by beneficiaries to us) or where there was limited thinking about sustainability and maintenance (as with some aspects of DRC Tuungane and the Somaliland Development Fund).
- 2.31 We noted that DFID has no clear guidance about how effectively to incorporate targeted infrastructure elements in sector programmes; nor about how to ensure that it is sustainable, involves the community and meets critical beneficiary needs. The research on this topic, noted in paragraph 2.29 above, will be a good starting point for development of such guidance. We note that only 12 of DFID's 21 fragile states have an infrastructure advisor in country.

The new priority placed on economic development will require careful targeting and scale-up in fragile states

- 2.32 Economic development programming in fragile states is important and necessary but not easy. Although in some fragile states the private sector can actually function well and provide a point of entry for development, there are many issues to be

addressed (including capture by the elite). Beneficiaries of health programmes in both Somalia and DRC spoke convincingly of the need for private sector service provision to be built into programming. If DFID is to engage in economic development work in fragile states, this needs to be conflict sensitive and requires deep contextual analysis. Programming must be flexible and exploratory in its approach. In consequence, economic development programmes in fragile states are likely to be small-scale in the early years.

- 2.33 Somalia's new private sector development programmes are small and flexible. We saw franchising in private pharmacies in Hargeisa being used to good effect to deliver key health services and a successful Business Development Challenge Fund. In DRC, we saw a new private sector development programme which is highly flexible and exploratory. Links to upstream conflict prevention, however, in particular the potential of economic development to address youth unemployment, are not fully developed.
- 2.34 Economic development in fragile states is an important new focus. It is, however, different and complex. DFID's plans to target £1.8 billion of DFID's budget in 2015-16 on economic development (more than doubling the amount spent in 2012-13), have – as with the scale-up decision – been framed more in terms of expenditure than on what can realistically be achieved over the medium to long term.⁴⁹

www.ittransport.co.uk/documents/FCAS-Infrastructure%20Annotated%20Bibliography.pdf

⁴⁹ Greening, Justine, *Supporting Growth and Jobs in Africa Can Beat Poverty*, London Business School, 26 April 2014, <https://www.gov.uk/government/news/greening-supporting-growth-and-jobs-in-africa-can-beat-poverty>.

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Delivery

Assessment: Green-Amber 

3.1 In this section, we examine how delivery approaches and processes have been adjusted as DFID has become a specialist bilateral organisation for fragile states. We assess whether DFID is now fit for purpose to deliver scaled-up funds in a fragile state environment. We also review DFID's efforts to co-ordinate its work with other government departments.

Interdepartmental co-ordination and cross-government working have been effective

3.2 There is progress with co-ordination in Whitehall. We saw good evidence of effective cross-government working in relation to fragile states, in particular between DFID, the MOD, the FCO, the Home Office, the Stabilisation Unit, the Cabinet Office and the Ministry of Justice. CHASE has led much of this work, along with the International Divisions and other parts of the Middle East, Humanitarian, Conflict and Stabilisation Directorate. Cross-government working between DFID, the FCO and the MOD produced the *Building Stability Overseas Strategy* in July 2011.⁵⁰ DFID has worked through the National Security Council (NSC) to facilitate and strengthen UK efforts to prevent and tackle insecurity and has worked closely on the former Conflict Prevention Pool and on the development of the new Conflict, Stability and Security Fund.

3.3 We observed that there is still work to be done to align strategies and identify the most appropriate way forward. It will be important to align DFID country portfolios with emerging NSC priorities. DFID country staff comment that they expect the joint NSC strategies for individual countries to provide a better basis for joint working and programming.

3.4 It will be important to ensure strategic coherence between cross-government NSC strategies and the bottom-up, CPRD-led planning process. There is some strategic alignment and interaction between the NSC processes and the CPRDs but there are

also risks – given their very different drivers and fundamental analyses – that these two separate prioritisation tools may not result in a coherent set of sustained priorities at a country level. Central political and security concerns could also distort the programming priorities and poverty focus of the activities in-country.

3.5 In our discussions, we were told that there are concerns around whether the most appropriate part of the UK Government is undertaking work in some fragile states. Almost all interventions in fragile states have political implications and, as a result, DFID needs to ensure that it focusses its efforts on the areas where it has competence and a competitive advantage and leverages other government departments, such as the FCO, where appropriate. Partnerships developed through enhanced NSC co-ordination processes may assist with this.

3.6 The new Conflict, Stability and Security Fund will come into operation in 2015-16 and is intended to bring a more strategic cross-government approach to shared priorities. It has the potential to encourage the application of skills from a wider range of departments in such environments. It will have a budget of £1 billion. There are concerns, however, including from FCO staff in-country, which echo the concerns expressed by ICAI in previous reviews,⁵¹ that FCO processes and financial management systems – despite efforts to improve these in recent years – may not be fit for the purpose of administering this much larger fund and that the FCO, and other departments that will access the fund, can learn from DFID's experience of scaling-up.

At a country level, cross-government working is very effective

3.7 We saw examples of effective cross-government working in the countries which we visited. The MOD, the FCO and DFID demonstrate good integration in their work in Somalia, where scale-up has increased UK influence. There are good

⁵⁰ *Building Stability Overseas Strategy*, DFID, FCO and MOD, 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67475/Building-stability-overseas-strategy.pdf.

⁵¹ 'There were weaknesses, however, in [the FCO's] financial system, which was not designed for programme management.' *Independent Commission for Aid Impact: Annual Report to the House of Commons International Development Committee 2013-14*, ICAI, June 2014, <http://icai.independent.gov.uk/wp-content/uploads/2011/11/ICAI-Annual-Report-13-14-FINAL.pdf>.

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examples in DRC as well, although aspects of cross working are limited by the small number of FCO staff in-country.

DFID is expanding its range of delivery partners

The UN is no longer the default delivery partner

3.8 For DFID (as for many other donors), the UN has almost been the default delivery partner in many fragile state contexts. The UN is often the only international organisation to have established a presence in difficult environments. DFID perceives that the UN has the mandate, capacity and legitimacy in a number of areas, such as health, elections and rule of law, and is often a more acceptable delivery partner to government than, for example, private sector or NGO implementing agents. The Multilateral Aid Review evaluation process conducted in 2010 also reinforced the alignment of policy focus of many key agencies with DFID's priorities.

3.9 DFID is now moving away from over-reliance on the UN, for a number of reasons. For example, at country level, UN agencies are sometimes unable to deliver results to the extent required or expected:

- the UN's Food and Agriculture Organisation (FAO) delivered some aspects of the Somalia Economic Development programme well. It did not, however, deliver the market development work at the pace or with the dynamism required. This was a factor in DFID deciding to use a private sector contractor for Phase 2; and
- in Somalia, we identified that UN agencies were finding it difficult to move beyond delivery approaches suited to humanitarian aid. For example, the UN was chosen as the implementing partner for the Somalia JHNP. Although the UN has made progress on aspects of health systems development, this has taken time. Only limited progress has been made in the delivery of basic services, because of delays in procurement and issues with disbursement of funds, as well as staff access to the affected areas.

3.10 Other reviews have found examples of UN agencies not delivering to the standard required.⁵²

- in DRC, our report on DFID's work with UNICEF identified issues with UNICEF's delivery of the WASH programme, such as improvements in sanitation not being sustained over the long term.⁵³ UNICEF has since made changes to its delivery model to ensure that improvements in sanitation are maintained over the long term;
- ICAI's report on DFID's Education Programmes in Nigeria contrasted two programmes, noting more effective and sustainable delivery and impact of the private sector implementing agent compared to that of UNICEF,⁵⁴ and
- the IDC has recently commented on DFID's difficulties in managing multilaterals, including UN agencies.⁵⁵

3.11 DFID country offices are able to manage performance issues with UN agencies, both through liaison in-country and by escalating issues which require negotiation with UN headquarters to DFID's United Nations and Commonwealth Department. The regular review mechanisms of the United Nations and Commonwealth Department, specifically the Portfolio Delivery Review, which was being rolled out during 2014, mark a step forward in terms of addressing performance issues for DFID country programmes delivered through UN agencies. As noted in ICAI's 2014 Annual Report, we remain concerned that, unless properly implemented, the Portfolio Delivery Review process might not lead to quick enough improvements in poorly performing programmes.⁵⁶

⁵² DFID's Contribution to Improving Nutrition, ICAI, July 2014, page 14, <http://icai.independent.gov.uk/wp-content/uploads/2014/07/ICAI-REPORT-DFIDs-Contribution-to-Improving-Nutrition.pdf>.

⁵³ DFID's Work through UNICEF, ICAI, March 2013, <http://icai.independent.gov.uk/wp-content/uploads/2010/11/ICAI-report-DFIDs-work-with-UNICEF.pdf>.

⁵⁴ DFID's Education Programmes in Nigeria, ICAI, 2012, <http://icai.independent.gov.uk/wp-content/uploads/2013/12/ICAI-Nigeria-Education-report.pdf>.

⁵⁵ ICAI's Performance and Annual Report 2013-14, Fourth Report of Session 2014-15, IDC, 5 September 2014, page 9, <http://www.publications.parliament.uk/pa/cm201415/cmselect/cmintdev/523/523.pdf>.

⁵⁶ Independent Commission for Aid Impact: Annual Report to the House of Commons International Development Committee 2013-14, ICAI, June 2014, <http://icai.independent.gov.uk/wp-content/uploads/2011/11/ICAI-Annual-Report-13-14-FINAL.pdf>.

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These issues were recently acknowledged by DFID to the IDC.⁵⁷

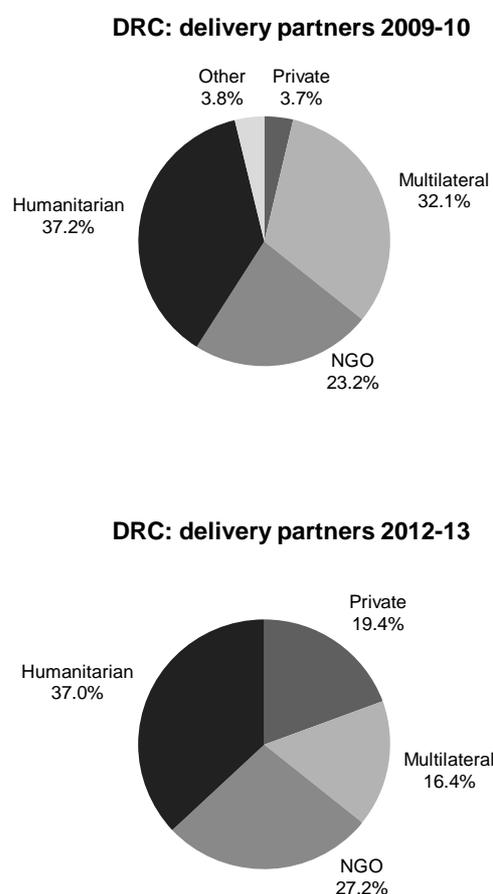
DFID is diversifying its partner base

3.12 We observed that DFID has diversified its partner base over the past three to four years, as can be seen in Figure 7, relating to the DRC portfolio. On the Somalia Economic Development programme, we note that DFID has decided to use a private sector contractor in Phase 2. We also saw increasing use of NGO consortia to deliver and manage programmes. For example, a new component of the DRC WASH programme is being delivered by an NGO consortium. It is taking a different approach to DRC UNICEF WASH, thus enabling DFID to assess alternative models for scale-up of water and sanitation.

3.13 There were relatively few effective delivery channels and partners in place at the start of scale-up. The increased focus on these fragile environments has created a new marketplace for private contractors and NGOs to engage. This has increased the range of potential partners but also brought new challenges with regard to: potential over-concentration in a few big global players; slow evolution of contracting and procurement practices; and struggles to set appropriate risk transfer and duty of care approaches. This new reality needs to be more formally reflected as part of an evolved set of working practices for DFID in these countries.

3.14 There is no strategic guidance for fragile state country offices on when or how to use different types of delivery partners to maximise their different strengths. We have, however, seen the start of engagement by the procurement team and by commercial advisors in the quality assurance of business cases, in order to help country offices make the right choice of type of partner.

Figure 7: DRC: changes in delivery partners between 2009-10 and 2012-13⁵⁸



3.15 Third party contractors – from both the private and NGO sectors – are playing an increasingly important role in fragile states. They are becoming an important part of the delivery landscape, as they have the more flexible human resource policies and duty of care approaches, as well as appropriate compensation models which encourage people to work for sustained periods in such environments. There needs to be a clearer strategy for the use of such players, as we recommended in our 2013 review of DFID’s use of contractors to deliver aid programmes.⁵⁹

⁵⁷ ICAI’s Performance and Annual Report 2013-14, Fourth Report of Session 2014-2015, IDC, 5 September 2014, page 11, <http://www.publications.parliament.uk/pa/cm201415/cmselect/cmintdev/523/523.pdf>.

⁵⁸ Statistics on International Development, DFID, October 2013, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254277/Statistics_on_International_Development_2013a.pdf.

⁵⁹ DFID’s Use of Contractors to Deliver Aid Programmes, ICAI, May 2013, <http://icai.independent.gov.uk/wp-content/uploads/2013/12/ICAI-REPORT-DFIDs-Use-of-Contractors-to-Deliver-Aid-Programmes.pdf>.

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3.16 It will take time for alternative delivery channels to develop the capacity required to absorb the levels of funding now available in fragile states. The number of private sector contractors willing and able to work in fragile states such as Somalia is currently limited. The availability of appropriate delivery partners should be a clear prerequisite for the design of large programmes. Scale-up of funding based on an assumption that delivery partners will materialise or that the UN system will be able to absorb the work, even in sectors where they have limited track record, is premature. DFID has recognised this issue, albeit sometime after initial scale-up. DFID's procurement and commercial teams have increased their early market engagement. This involves engaging with a broad range of suppliers, including the private sector and NGOs, to assess their interest in working in countries like Somalia. They also provide support to country offices at the business case stage to help to consider alternatives.

DFID presence on the ground in fragile states is vital

3.17 We observed, during our country visits, the importance of DFID's presence on the ground, if programming is to be effective in fragile states. Communication with stakeholders, understanding of the context and the ability to exert influence are significantly enhanced if DFID staff are co-located with project delivery.

3.18 In DRC, we contrasted the positive benefits of DFID's (relatively recent) permanent presence in Goma with its approach in Kasai Occidentale, where we identified that opportunities to create synergies and add value were being missed. In Goma, the presence of a DFID programme manager, with good experience of the country context, was adding considerable focus and influence to the organisation's engagement with the peace and stability agenda in this complex environment. By contrast, all three programmes in Kasai Occidentale engage in different ways on the issue of sexual and gender-based violence but without co-ordination or attempts to link processes or share lessons. The impact of the new permanent British Embassy facility in Mogadishu, in a secure compound, is tangible: the influence and visibility of DFID in Somalia has increased

considerably. Plans for a permanent office in Hargeisa were held back earlier in the year but are currently being assessed by the FCO. We are concerned that, without one, DFID's ability to manage a complex set of programmes on the ground, increase stakeholder engagement and enhance programme outcomes will be limited.

There are staff turnover and skillset challenges

It is important that staff in-country have the right experience and skill set

3.19 An important aspect of scale-up was the assurance from DFID headquarters that there would be additional frontline staff to support the delivery of results. In particular, this meant an increase in the number of advisors, many of whom had to be recruited from outside DFID. The time needed to recruit these additional staff was underestimated, however. It is only in the past year that offices have managed to bring on board the necessary staff numbers initially identified to take their plans forward. This slow pace of recruitment and the limited experience of some of the new staff mean that impact and influence have been compromised.

3.20 The IDC's 2013 report noted that 'DFID staff do not always have a good institutional memory or appropriate levels of local language skills, nor knowledge of cultural issues'.⁶⁰ This can limit staff effectiveness in overseas postings. We noted that these issues impacted programme design. In DRC Police Reform, for example, the original design of the programme revealed limited understanding of how police institutions operate in a French/Belgian model; and a key term – accountability – had no direct French translation and meant little to Congolese stakeholders. In DRC, DFID is seeking to ensure that staff have some proficiency in French and provides intensive language training before staff arrive in-country. It also provides ongoing language training during the posting.

⁶⁰ Department for International Development's Annual Report and Accounts, 2011-12, Ninth Report, IDC, 22 January 2013, paragraph 57, <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmintdev/751/75102.htm>.

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Staffing issues remain a challenge

3.21 Many of the human resource issues identified in ICAI's previous reports⁶¹ and in other reports were apparent to us in this review, often exacerbated by the challenges of working in fragile states and the associated security issues, poor infrastructure and lack of facilities. For example, we observed:

- high staff rotation, which can lead to inefficiency and to loss of institutional memory, knowledge of local contexts and understanding of programmes;
- difficulty in attracting senior staff, especially as many postings are unaccompanied; and
- handovers which are not yet systematic.⁶²

3.22 DFID is not alone in facing these challenges in fragile states. Most parts of the international system face difficulties in attracting quality staff to fragile states and suffer from a lack of continuity of senior staff, meaning that teams are rarely consistent or aligned. DFID's issues are compounded across its partners in-country. This creates challenges if deep-rooted issues are to be addressed.

3.23 Despite the shift to a position where almost all DFID offices are in fragile states, DFID does not have a standard corporate operating model to address the challenges of deploying staff on the ground in difficult contexts or leveraging local personnel. DFID's human resource function is, however, analysing the various deployment models being used by DFID country offices to learn what works.

DFID is improving its professional programme and financial management capacity

3.24 As part of its response to ICAI's report on *DFID's Use of Contractors to Deliver Aid Programmes*,⁶³ DFID is taking steps to professionalise programme

management.⁶⁴ This is particularly important in the context of fragile states, where there is a greater risk of corruption due to weaker public financial management and a need for remote management if security and logistical issues make it difficult for DFID staff to monitor and manage projects directly. As a result, DFID is likely to rely much more on experienced third party contractor staff, which puts an onus on DFID to match their programme management competence.

3.25 The professionalisation of programme management is supported by new programme management systems and processes. It aims to help programme managers and advisors to understand more clearly the division of responsibilities between them. We found that, currently, this is not always the case, mainly because – as staff in DFID Somalia commented to us – advisors need to get involved in more complex programme management and respond to one-off (but frequent) requests from the centre, which reduces time for programme design, working with partners and learning activities. We realise, however, that there needs to be flexibility in the division of labour, in order to be dynamic and responsive.

3.26 DFID has recognised that financial management is a skills gap, particularly overseas.⁶⁵ In early 2012, out of 14 qualified accountants working in DFID's finance function, only one was posted overseas. By mid-2014, 13 of DFID's 41 qualified accountants were posted overseas. Strong financial management capacity is essential in fragile states as portfolios expand, particularly given that fiduciary risks can be higher in fragile states and robust financial monitoring is needed. We believe that finance managers based in fragile states will improve the quality of financial management skills in country offices. There is not

⁶¹ *How DFID Learns*, ICAI, April 2014, <http://icai.independent.gov.uk/wp-content/uploads/2014/04/How-DFID-Learns-FINAL.pdf>; *DFID's Private Sector Development Work*, ICAI, May 2014, <http://icai.independent.gov.uk/wp-content/uploads/2014/05/ICAI-PSD-report-FINAL.pdf>.

⁶² We are aware that DFID's Learning and Talent Development team is working to systematise the handover process, as part of its response to ICAI's review on *How DFID Learns*, April 2014, <http://icai.independent.gov.uk/wp-content/uploads/2014/04/How-DFID-Learns-FINAL.pdf>.

⁶³ *DFID's Use of Contractors to Deliver Aid Programmes*, ICAI, May 2013, <http://icai.independent.gov.uk/wp-content/uploads/2013/12/ICAI-REPORT-DFIDs-Use-of-Contractors-to-Deliver-Aid-Programmes.pdf>.

⁶⁴ *DFID Management Response to the Independent Commission for Aid Impact Recommendations on DFID's Use of Contractors for Aid Delivery*, DFID, May 2013, page 2, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/205797/Management-response-use-contractors.pdf.

⁶⁵ *DFID's Finance Improvement Plan: Finance For All*, Version 1, DFID, September 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67455/finance-imp-plan.pdf. This document was produced in response to criticism from the National Audit Office, *Department for International Development: Financial Management Report, Session 2010-2011*, 6 April 2011, page 5, <http://www.nao.org.uk/wp-content/uploads/2011/04/1011820.pdf>.

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yet, however, sufficient budget for a finance manager in each fragile state country office.

- 3.27 DFID has also established 18 commercial advisor posts overseas to increase commercial support and early market engagement with a wider range of suppliers; and more recruitment is planned.⁶⁶ This is particularly important in fragile states, where the market is complex and fewer suppliers are available. For example, we heard that DFID Somalia's commercial advisor has run training for DFID staff on contract and key supplier management, output-based contracting, commercial and procurement skills.

Fiduciary risks in fragile states are high but recognised and addressed appropriately

- 3.28 Fiduciary risk is a central aspect of engagement in fragile states.⁶⁷ DFID's processes for fiduciary risk management recognise this and work to address risk where it exists. At the centre, lessons are being learned on fiscal support mechanisms to identify how they can be used effectively.
- 3.29 We undertook a range of meetings on and reviews of fiduciary risk management and financial management approaches during our field visits. In Somalia, fiduciary and corruption risk is a significant issue, particularly in humanitarian work. The UN Monitoring Group on Somalia noted in its 2010 report that this had become an accepted cost of aid efforts⁶⁸ (although DFID Somalia does not accept this and is working with partners to reduce the risks of diversion).
- 3.30 To address this kind of risk, the UN in Somalia has set up new risk management arrangements for the

Common Humanitarian Fund, with DFID encouragement and funding.⁶⁹ A verification of the new risk management arrangements by the Swedish Embassy found them to be adequate for high-risk humanitarian work, although DFID is clear that it will need continuously and rigorously to assess the effectiveness of these risk management systems.⁷⁰

- 3.31 The country offices which we visited have good anti-fraud strategies in place. DFID DRC's strategy was robust, considering fiduciary risk at the corporate and programme levels and with strategies in place to address it.⁷¹ We saw cogent approaches to preventing diversion of funds and some small anti-corruption elements in existing programmes, including programmes seeking to improve public financial management for greater transparency. DFID DRC has directly engaged around the anti-corruption pact with the Prime Minister. There was, however, no direct, holistic anti-corruption programming or programmes that focussed on corruption as experienced by the poorest in society in either Somalia or DRC, as was also identified in our recent *Review of DFID's Approach to Anti-Corruption and Its Impact on the Poor*.⁷² The reality of the wider corruption environment within which DFID is operating is not yet being tackled with sufficient vigour.

The 'Do No Harm' principle is central to programme design but may not be followed through in delivery

- 3.32 We saw good evidence that 'Do No Harm' is thought through in programme design, especially in more difficult environments (for example, in the Somalia Stability Fund and Core State Functions programmes). Nevertheless, there is the ongoing risk of unintended consequences in delivery. There is recent evidence that community-based interventions in very fragile environments can

⁶⁶ DFID has also informed us that it has six commercial managers working across country programmes, including fragile states coverage.

⁶⁷ *Managing Risks in Fragile and Transitional Contexts. The Price of Success?* OECD, 2011, page 3, http://www.academia.edu/8067687/Managing_risks_in_fragile_and_transitional_contexts_The_price_of_success.

⁶⁸ 'Even where aid agencies can function, monitoring and delivery of assistance are often difficult or even dangerous, creating opportunities for diversion and fraud. Some aid agencies routinely pay off local authorities for their own 'protection'. Aid convoys are 'taxed' or forced to surrender some of their cargo at checkpoints... Under such circumstances the aid community has come to accept a certain level of risk, loss, theft and diversion as 'the cost of doing business' in Somalia.'

Letter dated 10 March 2010 from the Chairman of the Security Council Committee pursuant to resolutions 751 (1992) and 1907 (2009) concerning Somalia and Eritrea addressed to the President of the Security Council, United Nations Security Council, page 59.

http://www.un.org/ga/search/view_doc.asp?symbol=S/2010/91&referer=/english/&Lang=E.

⁶⁹ Common Humanitarian Fund (CHF) for Somalia, Foreword by the Humanitarian Coordinator for Somalia, Philippe Lazzarini, 10 July 2013 (an overview of achievements), <http://reliefweb.int/report/somalia/somalia-common-humanitarian-fund-chf-annual-report-2012>.

⁷⁰ Statement from the Swedish Embassy on the CHF Verification Assessment, June 2014.

⁷¹ *DFID DRC Anti-Corruption Strategy*, DFID, August 2012, unpublished.

⁷² *DFID's Approach to Anti-Corruption and Its Impact on the Poor*, ICAI, October 2014, <http://icai.independent.gov.uk/wp-content/uploads/2014/10/DFID-Approach-to-Anti-Corruption-and-its-Impact-on-the-Poor-FINAL.pdf>.

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exacerbate conflict, causing inter-personal and inter-group disputes.⁷³

3.33 When we visited the DRC Tuungane programme, we saw how pre-existing land and resource-based conflict can be exacerbated by DFID programme interventions. We observed conflict between villagers and pastoralists over water, where the latter were accused of damaging the DRC Tuungane-supported water supply system to feed their cows. Tensions were running high. DRC Tuungane monitoring reports detail other examples of conflicts and disputes arising in relation to the implementation of the project: disputes exacerbated between villagers and contractors; amongst village development committee members; and, in early 2014 in the town of Rutshuru – an area prone to conflict and tension – activities were suspended for two weeks, when a civil society youth movement took to the streets to protest against the International Rescue Committee. The systems and structures of the International Rescue Committee helped to defuse the situation and the project resumed in March.

3.34 'Do No Harm' is not always monitored in a systematic way during programme implementation. The heightened risk of increasing tensions and causing damage though such community-based programmes operating in the midst of communities in conflict increases the need for DFID to be sensitised to this risk at all points of delivery. Monitoring of the risk of doing harm needs to be planned for and built into the regular review process.

There is a lack of clarity about DFID's corporate appetite for risk

3.35 Engaging in fragile states is inherently risky. Risk-taking is essential to deliver long-term results.⁷⁴ Work on establishing a federal system in Somalia, for example, is likely to create conflict, as it generates competition over access to power.⁷⁵

3.36 DFID's 2010 briefing paper on risk management in fragile contexts states that 'DFID has a relatively high risk appetite and is often willing to tolerate high levels of risk where there are substantial potential benefits'.⁷⁶ There are many different types of risk to be assessed, including: the risk of failure; the risk of inefficiency; the risk of diversion of funds; the risk of doing harm; and risks to human rights. These risks can be managed but will not always be avoided in a fragile state context. Heads of DFID country offices recognise that they need to take risks to be effective in fragile states but do not have clarity on how far DFID at the centre supports them in taking such risks. In DRC, for example, the country office is advancing the discussion with DFID centrally about its risk appetite regarding working with government.⁷⁷

3.37 We understand that DFID is currently reviewing its approaches to risk management and is considering changes in the management of risk at a corporate level. We observe, however, that without 'top cover' from DFID centrally and politically, country offices may not be incentivised to take on the risks required to be effective.⁷⁸ It will be important for the centre to recognise that the risk appetite and incidence of programme failure or delay will vary from context to context.

⁷³ See <http://www.poverty-action.org/project/0139>.

⁷⁴ *Managing Risks in Fragile and Transitional Contexts. The Price of Success?* OECD, 2011, page 3, http://www.academia.edu/8067687/Managing_risks_in_fragile_and_transitional_contexts_The_price_of_success.

⁷⁵ Hogendoorn, E.J., *Security and Governance in Somalia: Consolidating Gains, Confronting Challenges, and Charting the Path Forward*, Speech, U.S. Senate Foreign Relations Committee, Subcommittee on African Affairs, 8 October 2013,

<http://www.crisisgroup.org/en/publication-type/speeches/2013/hogendoorn-security-and-governance-in-somalia.aspx>.

⁷⁶ See <http://www.gsdr.org/docs/open/CON83.pdf>.

⁷⁷ *Use of Country Systems in DFID DRC Programmes*, Submission, DFID DRC, 6 March 2014, unpublished.

⁷⁸ The forthcoming ICAI review of DFID's security and justice programmes has identified major security and justice programmes in fragile states that have been cancelled because of possible risk issues.

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Impact

Assessment: Amber-Red 

4.1 This section reviews the impact that scaled-up funds have had on intended beneficiaries, and assesses their potential for impact in the future. We have assessed impact at a number of different levels:

- at the **strategic level** – which, for this review, is the critical level – our focus has been on whether scale-up to date has had any impact on the overall objectives of reducing fragility or conflict or, given the relatively short time that has elapsed since scale-up, whether there is clear progress towards these objectives;
- at the **country portfolio level**, we assess the cumulative overall impact, in particular against the targets set out in the results offers; and
- at the **programme level**, we assess the impact of individual programmes.

4.2 We have tried to take appropriate account of the difficulty of creating high levels of transformative impact in such environments and to judge DFID against its own definitions of strategic success, as well as the absolute levels of impact.

4.3 We have seen many good programmes producing some positive results in fragile states and good work by country offices. The key issue we have sought to answer, however, is whether scale-up is likely to have the anticipated meaningful impact on fragile states, not only in the four years since the decision was made but also in the longer term. Despite the positive outputs achieved by a number of the programmes that we have reviewed and some progress at country level, it is not yet clear that this adds up to a convincing positive trajectory towards achievement of the UK Government's stated goal of tackling conflict and fragility. We saw little evidence that there was clarity about the path from fragility to stability in DFID's priority countries and the 'building blocks' of progress on the way. Consequently, it is difficult to track the progress towards making these states less fragile as a result of DFID's scale-up.

It is difficult to measure the impact achieved as a result of scale-up

4.4 Fragile state environments are highly complex. Lasting impact has multiple dependencies and there is a constant risk of setbacks from outbreaks of conflict or natural disasters. There are difficulties of access and a lack of data for establishing a baseline and measuring progress. It is not surprising, therefore, that the results achieved against country plans, which are summarised in Annex A6, show a mix of on- and off-track results and a significant number of targets where there are, as yet, no data on progress.

4.5 Shortcomings in national systems and issues around access for data collection create difficulties in tracking results and measuring impact. In Sierra Leone, for example, real progress cannot be assessed in the health and justice sectors because DFID is reliant on national statistics, although DFID is committed to developing the evidence base as a part of its programming in these sectors.⁷⁹ There has been no population census in Somalia since 1992.⁸⁰ At present, DFID Yemen is reliant on its delivery partners for effective reporting. There is a lack of national data, with key surveys not conducted since 2004-05. As a result, DFID has difficulties measuring progress of the large Social Fund for Development (which accounts for 45% of the country portfolio). We recognise that DFID, like all donors, has to deal with this reality. It is important that this is reflected more in the levels of ambition that DFID sets and the types of goals that it asks of specific interventions, as well as looking to innovate in monitoring and measurement processes for such environments.

Programme monitoring is a challenge in fragile states and DFID needs to innovate and develop realistic, pragmatic and systemic approaches

4.6 As a result of the issues presented above, monitoring is a challenge in fragile states. Data are not available, there are often no government systems on which to rely and ongoing or potential

⁷⁹ See

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67408/sierra-leone-2011.pdf.

⁸⁰ DFID is supporting the United Nations Population Fund (UNFPA) to carry out a Population Estimate Survey, which was underway at the time of our fieldwork.

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conflict makes monitoring on the ground very difficult. In fragile states, there is a tendency to focus on monitoring delivery of outputs rather than seeking to assess outcome and impact. It is also hard for DFID staff to validate the level of performance being achieved through personal field visits to hard-to-reach areas. The logistical and security challenges facing the whole aid community need to be recognised.

- 4.7 Nevertheless, we saw some good evidence of oversight and programme reporting. We noted innovative approaches to third party monitoring and research, especially in Somalia (see Figure 8). We also saw efforts to build capacity in partners to monitor and drive performance through verification, whilst ensuring ownership of results.

Figure 8: Somalia Monitoring Programme

The Somalia Monitoring Programme (£7.7 million) has been designed to address some of the challenges DFID faces in monitoring delivery in fragile states: poor data availability; a lack of access; the need for third party monitoring; weak monitoring capacity of partners; and the need for verification of partner evidence. The programme aims to:

- verify results reported by partners (by 2016, 150 field verification visits will be undertaken each year, covering 20 projects and 5 project evaluations);
- collect data to determine baselines, results and impacts of interventions;
- build partner capacity to monitor results and impact (to date, the programme is working with 13 implementing partners);
- undertake 50 district-level governance and security assessments per year; and
- determine the population of Somalia, by community, district and zone (the last census was in 1992).

- 4.8 The approach to programme monitoring being implemented in Somalia requires strong organisational support and incurs a significant financial overhead but has great potential to enhance DFID's ability to demonstrate impact of programming on the ground. We understand that Yemen is establishing similar approaches to monitoring and that DFID's Research and Evidence Division is carrying out evaluations of these approaches to identify good practice. We encourage more of this activity.

Scale-up has brought increased DFID influence in-country

- 4.9 Scaled-up funding, coherent programming and an increased focus on results have brought DFID influence at a country level. This has the potential to result in increased impact over time, assuming the advice is effective and the counterpart is stable. Some positive examples of influence we heard in the course of our review are given in Figure 9.

Figure 9: Comments on DFID's impact at a country level

'DFID has had a big impact in a short time – which was dependent on putting things together coherently.' **FCO Somalia**

'There is much greater clarity in DFID's thinking as a result of the base in Mogadishu. Impact is symbolic but also allows capacity-building of the Government because DFID is actively engaging them in dialogue.' **United Nations High Commissioner for Refugees, Somalia**

'DFID now has a seat at the table in health.' **Implementing Partner, DRC**

- 4.10 In Somalia, DFID (working with other parts of the UK Government) has been able to exert considerable top-level influence on the Somalia Compact and peace-building processes. A combination of UK political interests at the highest level transmitted through diplomatic efforts, reinforced by DFID's presence on the ground and funding for specific interventions, has added up to a unique and influential role for the UK. The policy impact obtained in Somalia is undoubtedly greater than that so far obtained in DRC, where very large amounts of funding and effort have led to a lesser degree of access to critical policy drivers. The UK had limited prior interests in DRC and it would appear that influence is being gained more at a sectoral level.

Many individual projects are meeting beneficiaries' needs

- 4.11 Overall, at a programme level, we saw good evidence of programmes meeting beneficiaries' needs, especially newer programmes and those that have been redesigned since scale-up. If this review were only focussed at individual programme level, we would consider impact to be at Green-Amber. A detailed assessment of the impact of the

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programmes which we reviewed can be found in Annex A7. For example, we observed that:

- Somalia Health Consortium has improved access to health services and met basic health needs. It has brought innovations, such as social franchising of pharmacies, to plug gaps in government systems;
- even though it is a new programme, DRC Primary Healthcare has already delivered and built capacity in existing faith-based networks, linking to and building state capacity where there are opportunities. It is working with the state to develop health information systems; and
- the centrally managed DFID Global Poverty Action Fund's 'Improved WASH for Goma's Poor' is specifically bringing better access to water to around 150,000 beneficiaries in Eastern DRC.⁸¹ The Mercy Corps has established a close partnership with and works alongside the water utility at the provincial level. The Somaliland Development Fund is meeting infrastructure and basic needs and also supporting the re-established National Planning Commission.

4.12 Our beneficiary survey, covering five programmes, confirmed that there was tangible, positive progress on the ground in all the programmes which we surveyed, as can be seen in Figure 10 on page 24 and in Annex A5. Beneficiaries were clear about the benefits that the programmes were delivering. These are beneficiaries with high degrees of need and they have responded positively to the interventions with which they have come into contact. They also, however, identified many of the challenges faced by programmes in fragile states: sustainability; corruption; and the integration of the programmes with the limited state structures.

4.13 During our case study visits, we found that achievement of results and outcomes has been limited to date in some programmes in Somalia and DRC. There are some potential mitigating factors behind this:

- delays caused by various externalities, such as the humanitarian crisis and the end of the political transition in Somalia, meant that scale-up did not start until 2012 and many of the programmes using scaled-up funds have only recently started;
- some programmes, such as DRC Primary Healthcare, seem to be performing well but are only in their early stages of delivery; and
- the impact of some governance and peace-building programmes in both countries may take a generation to become apparent.

Although individual programmes are achieving impact, they do not add up to a mutually reinforcing set of activities that address fragility

4.14 Whilst we observed clear positive impacts on beneficiaries from the individual projects that we visited, evidence of the cumulative impact of each country portfolio on transforming fragile states and tackling the drivers of instability was not there. It is evident that beneficiaries are satisfied that important aspects of their lives have been subject to improvement. The questions are: do these 'points of light' exhibit the breadth, reach and sequencing such that they can be meaningful building blocks that lead to reducing fragility; and is there evidence that the significant increases in activity and funding are leading to a trajectory to transformational impact? It is rare to see that the portfolio for a given country includes the top-level policy interventions, institutional capacity-building and service delivery programming which are required to shift the needle.

4.15 In DRC, for example, the results offer bid focussed on delivery of basic services and infrastructure and a drive for wealth creation. The biggest budget increases through scale-up were in the health and wealth creation sectors. There was limited overall rationalisation for choosing one priority area over another. The vision, set out in the 2011 Operational Plan, suggests that wealth creation can address the causes of conflict and also refers to the potential of the DRC Tuungane project to increase social cohesion but there is no roadmap against which progress in addressing fragility can be tracked. The results set out in the Operational Plan are about the operational delivery of big

⁸¹ *Global Poverty Action Fund: Proposal Form, 2011, DFID DRC.*

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Figure 10: Beneficiary Survey

Our beneficiary survey work was a qualitative study, employing focus group discussions and key informant interviews to gather views and opinions of programme beneficiaries to examine DFID's presence and impact and to determine beneficiary perceptions of state-building.

DRC fieldwork in North Kivu and Kasai Occidentale focussed on DRC Police Reform, DRC Primary Healthcare and DRC Tuungane. Sixteen key informant interviews and 8 focus group discussions with 64 beneficiaries were conducted:

- **DRC Primary Healthcare:** beneficiaries identified marked improvement in the quality of healthcare service delivery, including better services; on-call nurses providing services at night; new infrastructure and supplies; and the provision of waivers for the poorest groups. They noted a significant reduction in maternal and new-born morbidity and mortality. Community-based Health Development Committees were seen to be effective and to have empowered the communities. Some weaknesses relating to referral of maternity cases to specialist tertiary care were identified;
- **DRC Police Reform:** beneficiaries reported a marked reduction in incidences of insecurity, including theft and rape, attributable to the programme's reforms. Participants nevertheless complained that security remained inadequate, accusing the police of poor performance and low accountability. Police corruption and collusion with criminals remained, leading to high levels of mistrust between the communities and the police. There were concerns about sustainability, given the limited coverage of police officers and communes. Community-led efforts to curb insecurity were seen as more effective than efforts by the police; and
- **DRC Tuungane:** beneficiaries believed that the programme helped them to address their priority needs through participation, inclusion and ownership. Grass root-level structures were seen to mobilise citizens to solve common problems and to hold the government responsible. There was evidence of an improved community awareness of governance and accountability issues at a local level. Works to improve access to water were most positively viewed; education infrastructure less so. Beneficiaries were happy that infrastructure was built, although they had concerns about its coverage and quality and about the sustainability of DRC Tuungane interventions.

Fieldwork in Puntland and Somaliland covered Somalia Joint Health and Nutrition and Somalia Economic Development programmes. Eight key informant interviews and four focus group discussions were conducted covering 41 beneficiaries:

- **Somalia Joint Health and Nutrition:** beneficiaries noted an improvement in the quality of healthcare service delivery, including: a reduction in the incidence of disease because of access to vaccinations; an improved ability of health workers to handle minor health issues; and new infrastructure, medical supplies and equipment. The most significant impact reported was the reduction of maternal and new-born morbidity and mortality and there were also

reports of reduced incidence of communicable diseases, such as polio and measles. Beneficiaries criticised the lack of diagnostic equipment and vehicles and highlighted poor quality-control of drugs and lack of co-ordination between government and non-governmental agencies. There were criticisms of vaccine shortages (except for polio), the lack of other key medications and an inability to provide specialist maternal care. Community dialogue mechanisms have been set up but were said to meet infrequently, to lack decision-making tools and to have a mostly male membership; and

- **Somalia Economic Development:** our survey focussed on beneficiaries of honey and bee-keeping activities. They noted marked improvement in the production of honey, the provision of supplies, the skills of producers and local ownership and community dialogue on economic development. They voiced a high level of satisfaction with the programme and its impact. Women have been prioritised and have witnessed a real improvement in their quality of life. The leadership of key community groups supported through the programme, however, remains male. Beneficiaries perceived it was too soon to assume that Somalia Economic Development led to wider community development. Some participants were concerned that the selection of programme participants had heightened community clan-based tensions.

numbers in sectoral programmes. They are not focussed on reducing fragility.

- 4.16 At a programme level, in DRC, we saw a mixture of good new programmes that are starting to deliver results, the turnaround of older programmes which were underperforming and some programmes, such as DRC Tuungane, that are delivering results at output level but are delivering less strongly at outcome and impact levels.
- 4.17 At a geographic level, the programmes we reviewed in Kasai Occidentale did not add up to a larger whole. Those in North Kivu appeared to be better focussed on addressing aspects of the causes of conflict, with some well-performing individual programmes, as well as others that were not delivering as well.
- 4.18 We would expect country offices, as far as they are able, to produce a clear plan or roadmap in the CPRD setting out the trajectory for each country to move away from fragility – a theory of change that is grounded in the realities of the local context, upon which the Operational Plan rests. It should also identify DFID's coherence with other donors and actors operating in that country and not just DFID's programmes in isolation. International evidence about how states move out of fragility is

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not fully available, as we discuss in more detail in the Learning section, which means that there are few models of country progression from fragility to stability that can yet be drawn on in developing a coherent portfolio for a fragile state. There are examples, however, in Asia and Latin America and also in Africa (for example Rwanda) of states managing to move to much less fragility. Indeed, of our case study countries, at the time that we undertook our field work, Sierra Leone had been moving into a position where it would no longer have been considered fragile. The subsequent Ebola outbreak has set this back – a reminder that progress out of fragility is not linear and can easily be reversed. We would expect DFID offices to set out with a clear intent, built on available evidence; and review their plans regularly as more evidence about what works becomes available.

- 4.19 Ongoing research and lesson learning across different fragile states may, in future, help DFID offices to outline a clearer roadmap out of fragility and to provide strong portfolio-level evidence to support a theory of change which is then constantly tested. Movement from fragility to resilience is a complex and non-linear process. The examples that we saw in DRC and Pakistan suggest that, in large and more populous countries, it is important to focus geographically, to try to put together a coherent set of programmes that not only support delivery of basic services and create economic development, but also start to create effective and accountable governance at a local level, which in turn supports governance improvements at a national level.

Results Frameworks do not cover the whole portfolio and offices do not look beyond them to plan and evaluate impact

- 4.20 Although the results offer process for scaled-up funds mandated a four-year period for achievement of results, we observed that DFID country offices in fragile states continued to plan and deliver harder-to-measure and transformational activities that will show results only in the longer term.
- 4.21 An important finding from our case studies is that the results set out in the results offer and published through the Results Frameworks cover only 40% of

the programmes in Sierra Leone and 50% of the overall portfolio in Pakistan.

- 4.22 DFID's Results Frameworks are focussed on the quantifiable results of the big programmes but may not cover smaller, but still important, efforts. For example, DFID Somalia has worked for over four years to start to establish the Interim Jubaland Administration. The initial investment in this was just £250,000 through the Conflict Pool, supplemented by further support (around £1 million) through the Stabilisation Unit and Stability Fund on quick impact projects, infrastructure refurbishment and the installation of a basic public financial management system.
- 4.23 The potential impact of this very small intervention could be enormous. Yet, like many small opportunistic programmes (such as the street lights put up in parts of Mogadishu), its impact is difficult to measure and recognise and it is not captured in the Results Framework.

There are real challenges with scaling pilot programmes and ensuring the sustainability of impact

- 4.24 Achieving long-term sustainability is difficult in fragile states, given the political context, the risks of conflict and the weaknesses of state structures. This was noted by beneficiaries in the beneficiary survey. In DRC Police Reform, for example, we saw good short-term impact but stakeholders from the police and state organisations had concerns about scale-up and sustainability, given the limited coverage of police personnel and number of communes.
- 4.25 We observed that DFID may be unable to roll out pilot programmes due to the high cost of delivery, as described in Figure 11 on page 26. In reality, even with the increased funds as a result of scale-up, DFID can operate in only a limited number of locations in a fragile state. In a non-fragile state environment, where government is engaged, the government may provide long-term funding to support roll-out and funds can be leveraged (for example, as we saw for education in Bihar⁸²). These preconditions are rare in fragile states,

⁸² Evaluation of DFID's Support for Health and Education in India, ICAI, May 2012, <http://icai.independent.gov.uk/wp-content/uploads/2013/12/ICAI-Evaluation-of-DFIDs-Support-for-Health-and-Education-in-India-Final-Report.pdf>.

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although DFID offices in Sierra Leone, Nepal and Pakistan all make use of government systems. The scale-up of pilots needs to be thought through from the beginning of a programme. Pilots are not just experiments for their own sake. If they cannot be scaled up effectively, given the country context, then DFID cannot achieve sustainability or value for money for its programme of investments.

Figure 11: Roll-out issues – DRC Police Reform

DRC Police Reform has an integrated approach to delivering impact on the ground through the provision of infrastructure (police stations and other facilities), community police training and mentoring and empowerment and accountability activities. We noted, however, that:

- pilots cover around three communes in the capital cities of three provinces. Kananga City alone has 5 communes and the province has 22 districts; and
- delivery to date has cost £60 million (several million pounds for each commune). Roll-out across even three provinces would cost donors and the Government of the DRC hundreds of millions of pounds if the pilot methodology were to be applied.

4.26 As a result of these challenges, DFID often relies on the UN system to take initiatives to scale. We saw this working well in the UNICEF WASH programme in DRC, where DFID supports implementation of the government-owned WASH model, through UNICEF. By September 2013, 3,481 villages and 1,069 schools in 11 provinces were certified as 'healthy'⁸³ and over 2.4 million people were able to live in a village that had met the criteria for a 'healthy' environment. The combination of the strong government commitment and the receptivity of UNICEF to ideas for improvement, learning and efficiency (for example in response to our review)⁸⁴ is starting to create impact at scale, albeit at a slower pace of roll-out than was originally planned.

4.27 In contrast, the successful Somalia Health Consortium programme was designed as an

⁸³ 'Villages et Ecoles Assainis' (healthy villages and schools) is the DRC Government's National WASH programme for rural areas. Villages nominate themselves to be part of the programme and they are supported through a behaviour change process to change the mentality of the villagers concerning human waste disposal, household waste, cooking habits and general hygiene, including hand washing. Once the changed behaviours have been assessed, a water pump is installed or a spring is protected to provide safer and more accessible water. At this point the village is certified as 'healthy' and receives recognition of its status.

⁸⁴ DFID's *Work through UNICEF*, ICAI, March 2013, <http://icai.independent.gov.uk/wp-content/uploads/2010/11/ICAI-report-DFIDs-work-with-UNICEF.pdf>.

experimental pilot programme and a UN consortium-led programme is now taking these pilots to scale, enlarging coverage and incorporating health systems strengthening work. There have, however, been extensive delays in rolling out this programme, mainly because of the slow pace of UN bureaucracy and issues over security and access. Many of these issues result from weaknesses in UN management systems.

DFID needs to recognise that achieving impact in fragile states takes time

- 4.28 The results offer process, which allocated scaled-up funds, committed country offices to achieving agreed results over a timescale of four years. Even where targets have been reduced in revised plans, it is not clear that impact is being, or indeed could be, achieved within such short timescales.
- 4.29 Impact in fragile states is likely to take many years or even several decades, with frequent setbacks during that timeframe. Historically, countries that have moved away from fragility and conflict have not generally done so through one decisive 'make or break moment' but through many transitional phases and over a long time, as indicated in Figure 12, with 'one step forward, two steps back'.

Figure 12: How long does it take to move away from fragility?

'How much time has it taken to move from current average levels in fragile states around the world to a threshold of 'good enough' governance? The results are striking. It took the 20 fastest moving countries an average of 17 years to get the military out of politics, 20 years to achieve functioning bureaucratic quality and 27 years to bring corruption under reasonable control.'⁸⁵

These timescales do not refer to reaching best practice in terms of governance but merely to reaching adequacy. Moreover, the fastest transformers referred to are Portugal and Korea, countries that had much more favourable starting conditions than those experienced by the fragile states in which DFID is working today.

4.30 We believe that DFID needs to take a more patient and realistic approach. The IDC has recently commented that, although DFID's focus on results has brought rigour, it is 'too focussed on headline indicators which...are distorting programme

⁸⁵ *World Development Report 2011: Conflict, Security, and Development*, World Bank, 2011, http://siteresources.worldbank.org/INTWDRS/Resources/WDR2011_Full_Text.pdf.

4 Findings: Impact

choices'.⁸⁶ Having made the policy decision that bilateral work would be mainly in fragile states, DFID needs to recognise that this means that the planned results will have to be less ambitious and will take longer to achieve.

- 4.31 We saw some improved programmes, some basic services which are being delivered better and some good community dialogue and accountability activities. It is often too early to judge progress in these long-term environments. It is not clear, however, that these interventions yet add up to a convincing positive overall trajectory which in time will lead to achievement of the UK Government's stated goal of tackling conflict and fragility.⁸⁷ The results offer process, with its focus on the headline indicators generated by big programmes, did not produce a clear plan directed at addressing fragility in each country. The underlying analyses of what drives fragility in each country are not clear. As a result, it is difficult, at this point, to assess whether the progress in individual programmes will, therefore, add up, over a longer timescale, to an overall impact in terms of a reduction of fragility.
- 4.32 The CPRD is an evolving tool in DFID. Although the CPRD was originally designed for a specific purpose, as we have noted in paragraphs 2.12-2.13, it has the potential to help country offices analyse the context and to design a coherent portfolio of appropriate and achievable programmes. There are refinements that still need to be made. We observed that, although all the CPRDs we saw covered issues of fragility, it was challenging for country offices to put forward a quality analysis of the underlying drivers of fragility (it may be that the concise CPRD format does not provide sufficient space for this). We also noted that, although CPRDs highlighted key aspects of fragility, they were less able to propose concrete roadmaps for moving to greater stability and resilience. DFID is seeking to improve the CPRD as an analytical tool but gaps still remain between

policy and analytical work and the programmes that we saw in implementation.

- 4.33 The end of the scale-up period will also mean that plans and expectations may have to be revised. For the first time in many years, some DFID country offices now need to reduce programme funding in 2014. For example, a combination of over-programming and reductions in available budget in 2014-15 has meant that DFID DRC now needs to renegotiate approved expenditure with its partners. There are potential contractual and reputational risks but, most importantly, a lack of consistently applied funding will reduce the likelihood of impact.
- 4.34 Scale-up had high ambitions and committed DFID to high levels of expenditure to achieve those ambitions. The levels of achievement to date have been modest. Even in the longer term, DFID will appear to achieve less than it could have done, had expenditure been focussed on less complex or difficult environments. There are good reasons for these lower levels of achievement in fragile contexts but there needs to be openness and realism about the long-term nature of the effort required to reduce fragility. DFID clearly recognises that progress will not be linear in such fragile contexts but, with clearer analyses of context and roadmaps for development, there is scope to set more realistic goals and achieve more targets on the way.
- 4.35 The way that the initial scale-up decision was framed implied that increased expenditure alone would reduce fragility. The lack of explicit analyses of or clear plans to address fragility in the results offer process, however, means that it is not yet possible to track the impact of scale-up in terms of reducing fragility in these difficult and complex countries. Transformative impact in fragile states will take a generation to achieve and is dependent upon development of in-country state capacity. This was insufficiently recognised at the start of scaling up. The weaknesses in terms of impact lie at the strategic level. We found evidence of impact from individual programmes but the scale-up to date has not demonstrated the potential for transformative impact on fragile states that it promised.

⁸⁶ ICAI's *Performance and Annual Report 2013-14, Fourth Report of Session 2014-15*, IDC, page 13, <http://www.publications.parliament.uk/pa/cm201415/cmselect/cmintdev/523/523.pdf>.

⁸⁷ *Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review*, HM Government, October 2010, page 3, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/62482/strategic-defence-security-review.pdf.

5 Findings: Learning

Learning

Assessment: Green-Amber 

5.1 This section considers how well DFID is learning from its work in relation to fragile states. It assesses how DFID learns lessons at all levels and how these are incorporated into improved programme design and delivery.

Good evidence of learning from experience at country level

5.2 Our Green-Amber rating for Learning largely reflects learning at the country office level, where we found good and innovative learning practice. Effective learning is generally a feature in programme design. Many of the earlier programmes have undergone significant redesign in response to experience in the field.

5.3 A number of the higher-performing programmes which we reviewed either have a history of poor performance that has been turned around or are second phase programmes where the first phase underperformed. In such cases, DFID country offices put considerable effort into reviewing lessons learned, identifying good practice from other DFID offices and applying research and analysis. This is the kind of adaptive learning and course correction which we recommended in our Learning report.⁸⁸

5.4 In DRC, for example, the shortcomings of the previous health programming were thoroughly analysed, which led to many changes in the design of the new programme. Learning was sought from other fragile states, including visits to South Sudan, to review health information systems suitable for deployment in fragile states (see Figure 13). DRC UNICEF WASH has undergone significant changes as a result of evaluation and research, including consideration of feedback from external reviews,⁸⁹ to try to ensure a more sustainable approach.

5.5 We saw interesting and innovative learning components designed into individual programmes.

DRC Primary Healthcare has a substantial research agenda embedded in a robust and integrated Operations Research and Impact Evaluation component led by Tulane University:

- it provides baseline and end-of-programme assessments and evaluates impact on health behaviours, service utilisation and outcomes;
- it conducts a series of operational research studies to provide information on what works in supporting health service delivery and health systems strengthening in DRC; and
- it disseminates evaluation and operational research findings in order to inform programme implementation and to share the lessons learned.

Figure 13: Learning from experience – rethinking the approach to healthcare in DRC

The former £80 million DRC Access to Health Programme, which operated from 2008-13, aimed to improve access by providing free healthcare through an international NGO consortium using non-government systems, such as the consortium's own drugs depot.

The redesigned DRC Primary Healthcare was a fresh start, drawing on lessons learned from the previous programme and the realisation that it was not sustainable. The programme has quadrupled the number of beneficiaries (now around nine million) although funding has only doubled. This has been achieved by recognising that free healthcare is not an option at this point for DRC and by working instead through long-standing faith-based networks, which can work closely with the Government to manage and deliver health services in a permanent and sustainable way.

5.6 We also saw good efforts at a more strategic country level to improve contextual analysis, so that the design of future programmes is based on sound understanding of the local situation. In DRC, the Evidence, Analysis and Co-ordination Programme (EAC) is an innovative approach to political economy analysis, acknowledging the lack of cultural and contextual understanding of the DFID team. EAC has commissioned an expert panel and a planned research programme which aims to:

- improve analysis to inform programme design and delivery;
- improve understanding of the external environment in DRC;
- shape future strategies; and

⁸⁸ *How DFID Learns*, ICAI, April 2014, <http://icai.independent.gov.uk/wp-content/uploads/2014/04/How-DFID-Learns-FINAL.pdf>.

⁸⁹ Including ICAI's report on *DFID's work through UNICEF*, March 2013, <http://icai.independent.gov.uk/wp-content/uploads/2013/12/ICAI-report-DFIDs-work-with-UNICEF.pdf>.

5 Findings: Learning

- provide expert challenge to strategies and programmes.

5.7 We also observed that the management team in DRC places an emphasis on learning, with planned learning exchanges in the office and intelligent use of the 10% professional time to focus on cross-country learning and exchange.

5.8 We saw an increasing focus on learning from third party monitoring. The new approaches to monitoring and research in Somalia are being fed back into programming and are shared with partners, who are responding positively.

What do good programmes in fragile states look like?

5.9 Our assessments of programmes in Somalia and DRC have helped to identify some of the characteristics of successful programmes. Our analysis emphasises the importance of learning lessons about what works and is set out in Figure 14.

Figure 14: What do good programmes in fragile states look like?

We found that programmes which incorporated lessons learned and the application of this analysis in practice were more likely to be successful, including programmes which were a redesign or second phase of earlier, less successful programmes. Good programmes also incorporated:

- longer inception phases, including design elements;
- flexibility to address windows of opportunity;
- understanding of points of entry within state structures at middle or lower levels, including policy dialogue;
- effective integration of community consultation and dialogue into the delivery; and
- delivery partners who have a deep understanding of the local environment.

Central and corporate learning processes are less strong

5.10 Learning in fragile states is being driven at the individual and country levels. Central and corporate learning processes are less strong and have not yet fully reflected the shift in DFID's bilateral programme that has transformed it into a specialist donor for fragile states.

5.11 Many of the issues identified in our review of *How DFID Learns* were also observed during this review:

- DFID does not clearly identify how its investment in learning links to its performance and impact. Advisors and country offices identified that there were limited incentives to encourage investment in learning, except when business cases were being developed;
- good learning practice is not disseminated effectively;
- DFID does not yet manage all the elements that contribute to how it learns as a single, integrated system; and
- an emphasis on results can lead to a bias towards the positive. Learning from both successes and failures should be systematically encouraged. There is willingness at country level to accept 'well-managed failure' and learn from the experience but less confidence about the acceptability of this at the central or corporate level.

5.12 We found that there is scope to make better use of professional cadres for the dissemination of learning from good practice. Dissemination of new research and thinking is mainly done online. Advisors in-country confirmed that they rely on personal networks to identify good practice in fragile states, as only a small number of professional cadres have established points of contact to advise on translating good sectoral practice into fragile state contexts.

5.13 Although there are professional development activities for all cadres, there are also constraints on administrative costs which have curtailed events other than the annual retreats. We were told that there has been an upsurge in 2014 of requests for CHASE to run sessions at professional development retreats, which may reflect greater recognition of the role that professional cadres can play in learning.

5.14 We note that, with the reduction in country offices, there is an emerging group of country office heads and other senior members of countries' top management teams who have rotated across a number of DFID's priority fragile states. In so doing, they have developed extensive hands-on experience of operating in fragile states. This needs to be leveraged corporately by DFID.

5 Findings: Learning

An expanded research agenda will help programme design

5.15 DFID now has an impressive central research agenda targeted at working in fragile states. The research budget has increased significantly following scale-up. There are research programme consortia with a focus on fragile states funded wholly or in part by DFID (see Figure 15). Other recent publications include:

- links between community-driven programmes and state-building;⁹⁰
- influence of state-building research on UK policy;⁹¹ and
- research on donor programming to support political settlements.⁹²

5.16 DFID's research budget has been increasing, although significant increases only started in 2013, as can be seen in Figure 16 on page 31. Precise amounts allocated for research into fragile states issues are unclear, as at least five additional research projects are still being contracted.

5.17 This research will contribute to the better design of new programmes and the redesign of older programmes but has come too late to increase the impact of the first generation of scaled-up programmes. At the start, DFID had limited learning to help guide programme choices.

New areas for research and learning are emerging

5.18 In Somalia, we were struck by the challenges of designing and delivering aid in an environment where security and access issues are extreme and where development is impacted by complex issues, including fundamentalist Islam. Options for development work – in terms of instruments, proven tools and approaches and implementing partners – are limited and not well understood. In South Central Somalia, the Prime Minister's Office described the issues it faced in an education sector captured by Islamic fundamentalism and where the international community can offer few ideas to help them make progress. Given the number of DFID

priority countries where issues of fragility are complicated by those of fundamentalist Islam, this is a significant area for future research and sharing of learning – both within DFID and across the international community.⁹³

Figure 15: DFID research consortia with a focus on fragile states

The following research programmes focussed on fragile states are funded wholly or in part by DFID:

- The Justice and Security Research Programme (2011-2016) aims to generate primary evidence about the informal institutions that govern the lives of people in a range of fragile or war-affected locations (£4.2 million);
- The Secure Livelihoods Research Consortium (2011-2016) aims to generate a stronger evidence base on how people make a living, educate their children, deal with illness and access other basic services in conflict-affected situations (£8 million);
- Migrating out of Poverty (2010-2017) focusses on the relationship between regional migration, internal migration and poverty (£6.4 million);
- Prevention of Violence Against Women and Girls provides evidence of what works to prevent violence against women and girls in developing countries, including in conflict and humanitarian emergencies (£5 million);
- Political Settlements towards open and inclusive settlements, undertakes research into how donors can shape political settlements to reduce poverty and the risk of conflict (£4.4 million);
- Safe and Inclusive Cities (2013-17), investigates the causes and best responses to violence, fragility and conflict in the urban centres of developing countries;
- Effective States and Inclusive Development Research Centre investigates political drivers of inclusive development, particularly how state capacity and elite commitment can be sustained (£5.6 million); and
- Secure Access in Volatile Environments (2014-17) investigates humanitarian access in the world's most challenging operational contexts (£1.6 million).

⁹⁰ See http://r4d.dfid.gov.uk/pdf/outputs/misc_gov/61244-king-samii-2014-wd.pdf.

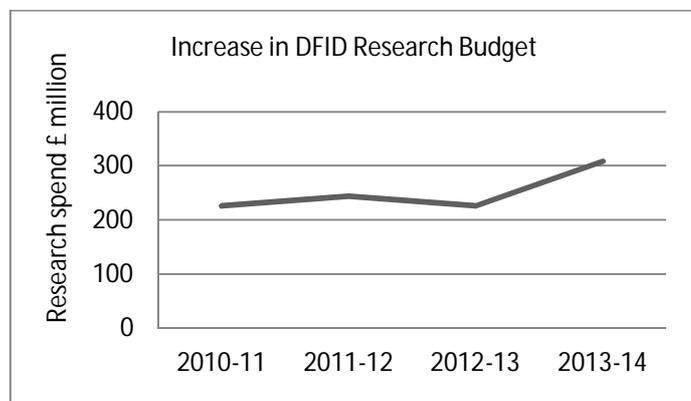
⁹¹ See <http://r4d.dfid.gov.uk/Project/60731/Default.aspx>.

⁹² See http://r4d.dfid.gov.uk/pdf/outputs/misc_gov/60937-PoliticalSettlements_Theory_FINAL.pdf.

⁹³ Since our fieldwork, DFID and the FCO have commissioned research on women and girls and extremism.

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Figure 16: Growth of research budget⁹⁴



DFID can show global leadership in fragile states

- 5.19 DFID is a major contributor to the global fragile states agenda as a result of the scale and breadth of its work in fragile states. It is one of the few large development agencies that focusses primarily on fragile states and has learned much about what is needed to operate effectively.
- 5.20 There are strategic issues about how well the international system is collectively working in fragile states. The Busan New Deal, for example, sets out some key principles for working in fragile states but we noted earlier in this report that expectations of how it will operate in practice may not align. DFID can resolve some of these issues, as well as providing guidance to country offices on navigating difficult issues, based on initial experiences in pilot countries.
- 5.21 The World Bank, EU and UN agencies are starting to adapt their 'traditional' development routes, derived from non-fragile contexts, to fragile states. They are starting to shift approaches and redirect their priorities. DFID has been working in this area for longer and is in a position to use its influence and to make a leadership contribution to help these agencies make positive changes on the ground.

⁹⁴ Sources: *Annual Reports*, DFID: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67477/Annual-report-2011-vol1.pdf; https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67353/Annual-report-accounts-2011-12.pdf; https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/208445/annual-report-accounts2013-13.pdf; and https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/331591/annual-report-accounts-2013-14a.pdf.

6 Conclusions and Recommendations

Conclusions

- 6.1 DFID will be able to end poverty only through a focus on fragile states. The decision to scale up funding in these environments is, therefore, logical. It is likely that more and more of the efforts of the international community will need to be made to stimulate development in such difficult and unstable situations. The overall objectives which informed the scale-up, however, were too high level, blending development with wider security concerns. These integrated poorly with the previous development-centric country planning approaches, leading to unclear goals and mismatched levels of ambition.
- 6.2 Our review has identified that, at the time that the scale-up decision was made, DFID and its partners were unprepared for the degree of additional funds to be allocated to such environments. The processes that were used to develop plans and allocate funds were not fit for purpose and led to over-ambitious goal-setting and accelerated programming ahead of absorptive and management capacity. DFID country offices had insufficient time to think through issues of objectives and delivery and to build support and leadership in their host environments for sustainable change. At the point of scale-up, DFID's culture, systems and programming approaches were still geared up for 'development as usual', rather than adjusted to recognise that, at the bilateral level, DFID was, effectively, becoming a specialist organisation for fragile states.
- 6.3 The areas of weakness which have had to be overcome over the period relate to both DFID's own organisational capacity and that of its partners, including host governments. DFID has taken time to create a robust operating model for working in such environments. The issues of human resources, skills mix and partnering strategy are still being worked through. The lapses in this area have led to considerable re-programming and strategy resets in the country portfolios. The shift from an initial reliance on the multilateral system, especially the UN, has taken time and the new channels, involving in particular the private sector contractors, bring fresh challenges. In particular, the right models for local state engagement remain elusive. The New Deal thinking, which is shaping work in this space, has unresolved dilemmas with regard to trusting to nascent state capacity and budget management. We have also identified that the balance between infrastructure projects and 'softer' capacity-based initiatives requires to be reconsidered if lasting change at scale is to be encouraged.
- 6.4 The degree to which DFID has channelled its resources in fragile states over the past four years has resulted in the building up of significant expertise. The effectiveness of its programming and the potential for the additional funds deployed to make a difference have increased over this period. We saw evidence of programmes which are meeting the needs of beneficiaries and delivering positive results, often in very challenging environments. DFID has shown an ability to learn from experience and to create more flexible approaches, which are better able to respond to such volatile environments. Owing to the time lag in reaching full capacity across the portfolio, many of the programmes are at a relatively early stage of deployment but have positive trajectories.
- 6.5 Our primary concern is the extent to which the portfolio of programmes and interventions, fuelled by the very substantial increase in funding, are set to make a real difference to fragile states. We saw limited evidence in our visits and case studies that the alignment between scale of country challenge, ability to absorb development and level of funding was appropriate. There is real potential for the analysis of the country contexts to lead to sharper tailored roadmaps for development in which the key building blocks of progress are more pragmatic and visible. The funding will then be allocated more in line with the art of the possible rather than the programming struggling to meet a top-down financial objective to spend a certain amount of money (or percentage of budget). Scale-up in fragile states offers some lessons about how DFID should best approach new policy priorities. Rather than a focus on targets based on quantum of expenditure, there needs to be detailed consideration of the capacity of the environment to absorb the change. It is also important to

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understand the degree to which the offices have the programming, staffing, systems and processes which create the tools and approaches to allow DFID to spend well. This includes identifying the right approaches for specific local contexts and assessing delivery capacity and then committing to credible levels of expenditure based on realistic analysis of the prospects of achieving long-term impact.

- 6.6 Such approaches will also facilitate the establishment of reasonable objectives and more pragmatic measures of success. We are concerned that the lack of good data and the challenges of tracking impact are being exacerbated by the broad ambitions of certain programmes.
- 6.7 Since scale-up, there has been positive progress on the corporate and cross-government agenda for fragile states. The NSC is increasingly attempting to balance security and development priorities and DFID at the centre is seeking to work in a joined-up fashion with the NSC. Concerns remain whether top-down NSC and joint Whitehall priorities and bottom-up country office-led programming can be effectively aligned. In particular, the appetite for risk, which is inherent in such work, is more explicit in the field than it is at the corporate level.
- 6.8 We have seen evidence that DFID is genuinely working hard to learn from its growing body of experience in such situations and has the potential to become even more of a leading specialist fragile state development agency. At the centre, DFID has also led the development of the Busan New Deal and has put in place a wide-ranging research agenda to increase effectiveness of operating in fragile states.
- 6.9 This learning is not yet providing sufficient insight to the NSC and other central policy groups or being encapsulated in clear guidance to country offices. There is also a big opportunity for the international system to engage in new ways to increase the positive role it has to play in stabilising such difficult situations and helping to set them on the road to sustainable development.

Recommendations

Recommendation 1: DFID needs to develop fresh coherent guidance on working in fragile states, drawing on adaptations developed at country level, new research and learning and the evolved systems being developed in DFID centrally.

- 6.10 DFID should revise its 2010 practice paper to reflect the latest thinking and evidence on how to work effectively in fragile states. Since the previous practice paper was issued, DFID has become a specialist institution focussed on fragile states. Corporate systems have not caught up with this change.
- 6.11 This guidance will need to draw on the experience and revised practices that DFID offices in fragile states have developed over the past three to four years and insights from evaluations and reviews, such as those by ICAI. It should set out a clear operating model for fragile and conflict-affected environments. It should draw out the relevant experience from country offices and then share it out across DFID and identify specific actions that DFID can take to improve its ways of working and have more impact. It should identify operating models for country offices in fragile environments and provide guidance on ways to address human resource issues. It should focus on what works and set out key priorities for working in fragile states. It should emphasise the importance of adaptive learning.
- 6.12 New guidance for country offices needs to cover how to approach policy dialogue and address institutional deficiencies, including long-term support to improve citizens' connection to the state and how to build community/state dialogue. It could cover good practice in programming based on reviews and evaluations, expanding on insights drawn from practitioners in-country of effective use of evidence in design and programme turnaround and examples of what has been seen to work. It should recognise the importance of involving key stakeholders at all levels, including intended beneficiaries, in this process.
- 6.13 The guidance also needs to consider how 'Do No Harm' principles can be strengthened across all

6 Conclusions and Recommendations

cadres. DFID should ensure that a rigorous assessment of the risk of doing harm is undertaken at all stages of the programme cycle and that monitoring of the risk is fully incorporated into programme management.

- 6.14 DFID should provide guidance to country offices, once it has experience of working on the Busan New Deal in pilot countries, including on how to navigate New Deal-related issues. The guidance should not, however, detract from DFID's current focus on results and management of programme delivery but should reinforce the definitions of success and real impact.

Recommendation 2: DFID should ensure that country-level targets realistically reflect the challenges of scaling up and the longer-term timescales needed for lasting impact in fragile states and calibrate funding accordingly. The targets should reflect the entire country portfolio, taking account of small as well as large programming through qualitative and quantitative targets.

- 6.15 Results, for example as set out in country operational plans, should be grounded in a realistic assessment of what it is possible to achieve in fragile states in a sensible timeframe. The expected results need to show realism around the need for a long-term commitment and investment in fragile states. They should reflect the key risks and the potential for going backwards as well as forwards.

- 6.16 Results need to be identified and reported for the entirety of a country portfolio. At present, the focus in operational plans is on those areas where big, quantifiable numbers can be reported, which is also what has been encouraged through DFID's corporate results agenda. Results targets should be extended to cover small but influential programmes and to encompass qualitative as well as quantitative reporting.

Recommendation 3: DFID needs to provide guidance on the inclusion of targeted infrastructure components in development programmes to enhance sustainable impact in fragile states programming.

- 6.17 DFID needs to think strategically about the inclusion of infrastructure elements in fragile state programming. In particular, DFID should consider how targeted infrastructure can be integrated creatively into larger sectoral programmes to build community cohesion, meet needs and prevent conflict. Beneficiary feedback on health programming in DRC and Somalia and on security in DRC has shown that embedding infrastructure development in community-based programming can provide both a short-term practical benefit as well as incentives to engage for a range of stakeholders.

- 6.18 DFID should consider how it can provide technical expertise and advice on infrastructure to its fragile states country offices. Sector advisors need advice on when and how to include infrastructure components, how to integrate the hardware and software elements, how to achieve quality of infrastructure and how to ensure adequate budgeting for maintenance and recurrent costs. DFID should consider how it can work effectively with other development partners (such as the development banks), which focus more on large-scale infrastructure, to help them to create new, more fit-for-purpose approaches in fragile states.

Recommendation 4: DFID needs to define its appetite for risk in fragile environments: there needs to be explicit alignment between the centre and the field about potential for failure and its consequences.

- 6.19 At a corporate level, DFID needs to clarify its support of risk-taking in specific country offices. To do this and to provide assurance to those working in higher-risk contexts such as fragile states, DFID needs to engage in more open debate with stakeholders about the types of risk that are acceptable relative to the rewards that can be obtained over time. DFID's risk analysis must be clearer about the range of key risk areas in fragile states and identify in which areas and circumstances there is reasonable expectation and acceptance of potential failure and where hard lines need to be drawn.

6 Conclusions and Recommendations

Recommendation 5: DFID should leverage its learning about operating in fragile states and take a clearer global leadership role with the international community to advance thinking on effective approaches.

- 6.20 DFID has learned many lessons about how to work effectively in fragile states and now has a much clearer idea of what works in these states. It is one of the most significant donors of aid to fragile states. DFID should use its experience and reputation to take a leadership role in helping organisations which have not reoriented their working practices better to suit the requirements of fragile states to improve effectiveness and impact in these countries.
- 6.21 DFID should share its thinking and understanding across the UK Government and, in particular, with the international community, the UN system, the World Bank and other development banks. Although many organisations are starting to adapt, some are still using 'traditional' development approaches derived from non-fragile contexts. DFID can exert influence to bring direction to and transfer skills for work in fragile states in a number of ways. Given the scale of DFID's funding to key multilaterals, there are opportunities to gain leverage during negotiations for the replenishment of funding. DFID is also intending to use the forthcoming Multilateral Aid Review (MAR) to inform its priorities for working with parts of the international community. The revised framework, currently under development, will include multilateral effectiveness in fragile contexts. DFID is already working with the World Bank to enhance its ability to meet the challenges of fragile states.

Annex

This Annex provides more detailed background information to the review. This includes:

1. List and map of fragile states (Annex A1);
2. Summary of findings in Sierra Leone, Yemen, Nepal and Pakistan (desk-based review countries) (Annex A2);
3. Summary of findings in DRC and Somalia (field-based case studies) (Annex A3);
4. Table of programmes reviewed in DRC and Somalia (Annex A4);
5. Summary of our beneficiary fieldwork (Annex A5);
6. Performance of country portfolios (Annex A6);
7. Assessment of performance of case study programmes (Annex A7);
8. Bibliography (Annex A8); and
9. List of consultations (Annex A9).

Annex

Annex A1: List and map of fragile states

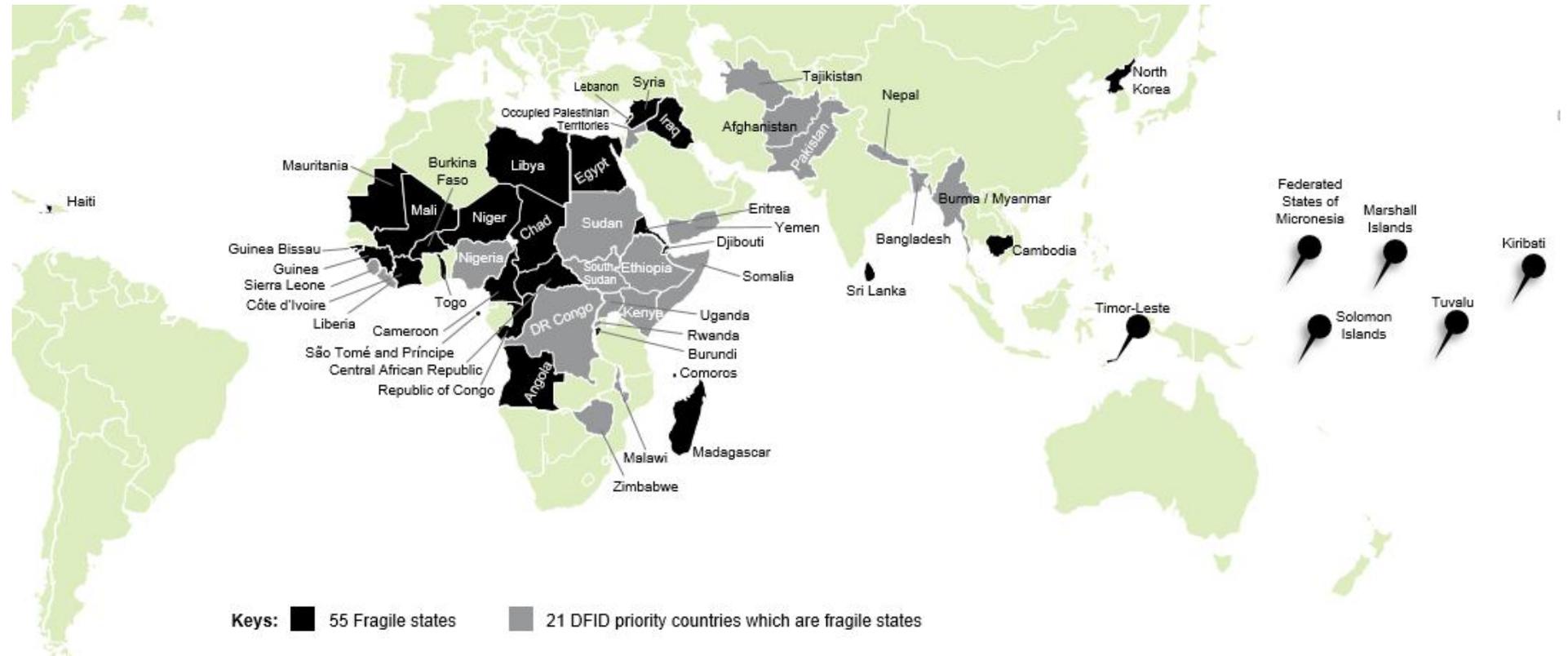
Figure A1.1: DFID's fragile and conflict-affected states

DFID's 55 fragile and conflict-affected states ⁹⁵	DFID's 28 Priority Countries	DFID's 55 fragile and conflict-affected states	DFID's 28 Priority Countries
Afghanistan	✓	Micronesia (Federated States of)	
Angola		Nepal	✓
Bangladesh	✓	Niger	
Burkina Faso		Nigeria	✓
Burma/Myanmar	✓	North Korea	
Burundi		Occupied Palestinian Territories	✓
Cambodia		Pakistan	✓
Cameroon		Rwanda	✓
Central African Republic		São Tomé and Príncipe	
Chad		Sierra Leone	✓
Comoros		Solomon Islands	
DRC	✓	Somalia	✓
Republic of Congo		South Sudan	✓
Côte d'Ivoire		Sri Lanka	
Djibouti		Sudan	✓
Egypt		Syria	
Eritrea		Tajikistan	✓
Ethiopia	✓	Timor-Leste	
Guinea		Togo	
Guinea Bissau		Tuvalu	
Haiti		Uganda	✓
Iraq		Yemen	✓
Kenya	✓	Zimbabwe	✓
Kiribati			
Lebanon			
Liberia	✓		
Libya			
Madagascar			
Mali			
Malawi	✓		
Marshall Islands			
Mauritania			

⁹⁵ Core Brief: Fragile and Conflict States Group, DFID Internal Paper. Page 26 outlines the list of DFID's 55 fragile and conflict-affected states and 28 priority countries.

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Figure A1.2: DFID's 55 fragile states and 21 priority fragile states



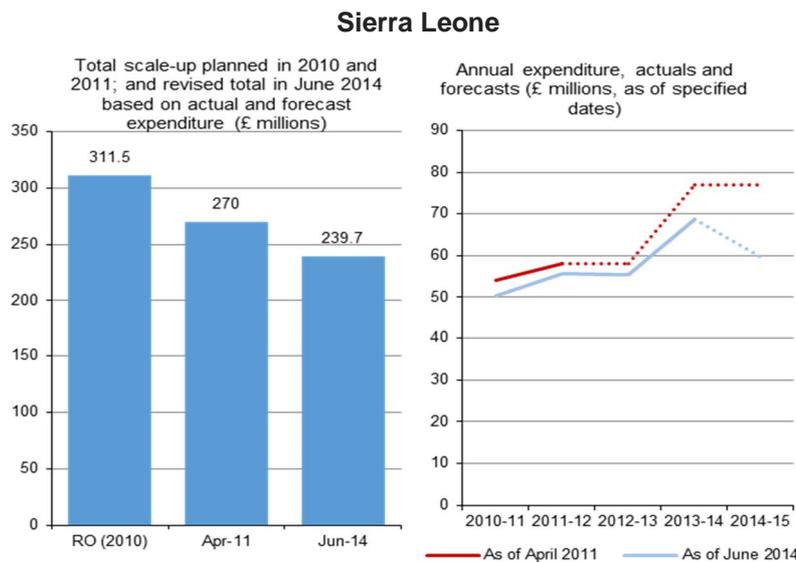
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Annex A2 – Summary of findings in Sierra Leone, Yemen, Nepal and Pakistan (desk-based review countries)

Sierra Leone is a post-conflict, aid dependent country, with 5.8 million inhabitants. The country aims to graduate from its fragile state status, as efforts to move away from stabilisation to long-term institution building continue. Our desk review and interviews with DFID Sierra Leone took place in June 2014, before the Ebola crisis worsened. Much of what is analysed here may be overturned by the impact of the Ebola emergency. DFID is by far the largest donor and the UK Government has direct access to Sierra Leone’s cabinet ministers. The scale-up in the initial bid for the results offer process was revised downwards by 13% to £270 million in DFID’s 2011 Operational Plan.⁹⁶ With expenditure forecast at £79 million in 2014-15, the office is set to meet 85% of the agreed scale-up funding. The scale-up represented a 476% increase on existing commitments at the time of the bid.

Direct budget support represents approximately 20% of the UK’s aid to Sierra Leone, the rest being delivered through UN agencies, international and national NGOs and commercial providers. The country office has a diversified portfolio, covering work towards the achievement of MDGs, wealth creation and security and governance. With the scale-up came DFID’s decision to engage in a new sector, education. The office chose UNICEF and an NGO consortium to deliver the Improving Schooling in Sierra Leone programme, a mixed delivery model, which DFID DRC is now using for WASH. The Sierra Leone programme is set to become one of DFID’s ten largest expenditures in 2014-15.

Figure A2.1: Sierra Leone expenditure



DFID Sierra Leone vision (Operational Plan 2011)

‘To reduce poverty, prevent a return to conflict and in doing so bring about real improvements to the lives of citizens throughout Sierra Leone. DFID’s programme in Sierra Leone will directly address the issues that continue to hinder Sierra Leone’s development and reflect the transition from humanitarian/post conflict interventions to longer term development approaches and ultimately to a situation where Sierra Leone is no longer reliant on development aid.’

DFID’s country office has grown substantially over the years to match the scaled-up expenditure, with frontline staff costs (pay) rising from £0.6 million in 2011-12 to £1.9 million in 2014-15. Total operating costs amounted to 4.1% percent of total programme expenditure in 2013-14. The office has long experience of cross-Whitehall working and can evidence results that have come from the close co-ordination between DFID, the FCO, the MOD and the International Security Advisory Team, as the country moved even further away from conflict. As well as following standard risk assessment procedures and monitoring requirements for all projects and programmes, the office established a Results, Risks and Resources Unit in 2012, in recognition of the need to strengthen management of risk across the office as a whole.

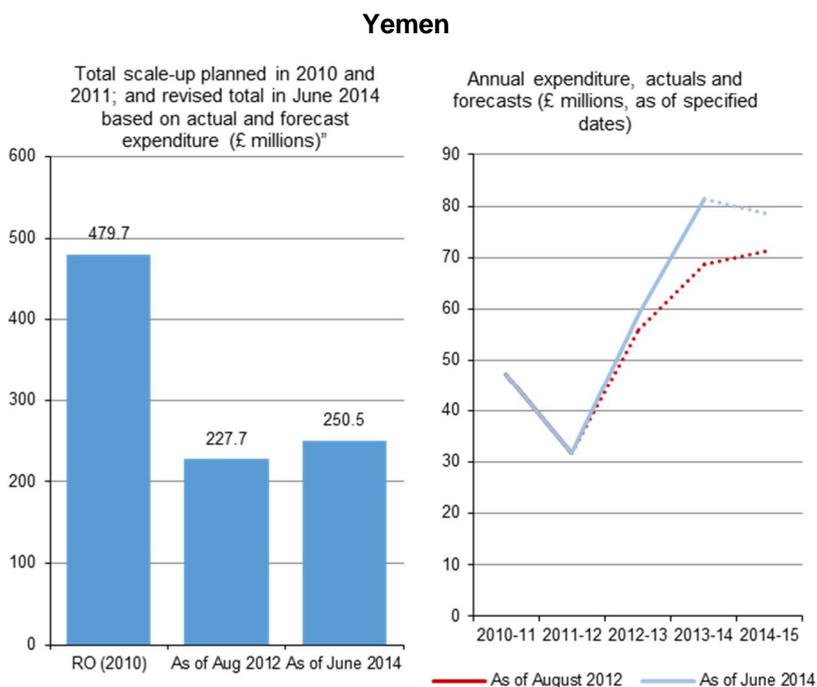
Due to delays in programme implementation, progress against targets in wealth creation, education and governance and security has been slow. Outcome data in some sectors, for example in the health and justice sectors, have not always been available because DFID is reliant on national statistics. According to DFID, the headline results represent only half of what has been achieved, with significant staff time being spent on building the capacity of government counterparts. The office characterised the results offer process as a welcome push to generate results more rapidly, while gradually asking the Government to show more leadership in meeting the MDGs. According to the office, a key challenge to the bid was limited evidence. Significant external evaluations have since been carried out alongside extensive scoping studies in the early stages of programming.

⁹⁶ Figures in Operational Plan updates are only mentioned when changes in forecast are significant.

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Yemen is the poorest country in the Middle East, with a population of 24.4 million. The country context changed radically during the 2011 Arab Spring, as President Saleh, in power since Yemen's unification in 1990, agreed to step down in November of that year. Yemen is a key priority for DFID. The UK has high-level access to the authorities and plays a lead role in supporting the country's political transition. The bid, totalling £479 million, pre-dated the 2011 uprising and was obsolete by the time DFID finalised its Operational Plan in 2012. Programme expenditure was above target in 2013-14 at £81 million.

Figure A2.2: Yemen expenditure



DFID Yemen vision (Operational Plan 2012)

'Our vision is a more stable, secure and prosperous Yemen. The current political transition process, though fragile and far from assured, is the best chance in a generation of making progress towards this. The goal of our programme is to support the success of the transition directly and indirectly, deliver jobs and basic services which increase citizens' confidence in government, and address immediate humanitarian needs.'

With expenditure forecast at £78 million in 2014-15, DFID Yemen is now set to spend £251 million of the scale-up, 10% above its Operational Plan 2011 target. Assuming that there is no significant deterioration in the political, economic and security context, the office foresees no difficulty in meeting its spending commitments; its main programme – the Social Fund for Development (SFD) – is in fact facing a funding gap for the next phase.

Humanitarian assistance and Poverty, Hunger and Vulnerability (PHV) programming constitute 80% of DFID Yemen's portfolio. Support to national reconciliation and to the elections makes up the relatively small governance and security portfolio and DFID now contributes to International Finance Corporation / World Bank projects in wealth creation. DFID has a limited range of delivery options in Yemen but has used competitive tenders to reach out to and test new partners, including UN agencies. The office comprises 17.4 full time equivalent staff, split between Sana'a (with two home civil service staff and five locally employed staff) and London (with home civil service staff who travel extensively to Yemen). The operating cost amounted to an estimated 2.3% of the portfolio in 2012-13.⁹⁷

The programme comes with a number of delivery risks.⁹⁸ staff resources have not increased proportionally with the programme; 45% of DFID money is spent through the SFD; and we found that DFID relies almost exclusively on its delivery partners for effective reporting. Since our fact-finding, DFID has commenced a third party monitoring programme. Headline results have been achieved in humanitarian assistance, with DFID targeting to reach 500,000 people in 2013-14 and 2014-15. A lack of national-level data means it is difficult to measure progress and impact in a range of areas including PHV and it is too early to show progress in results in wealth creation programmes.

⁹⁷ Operational Plan 2013.

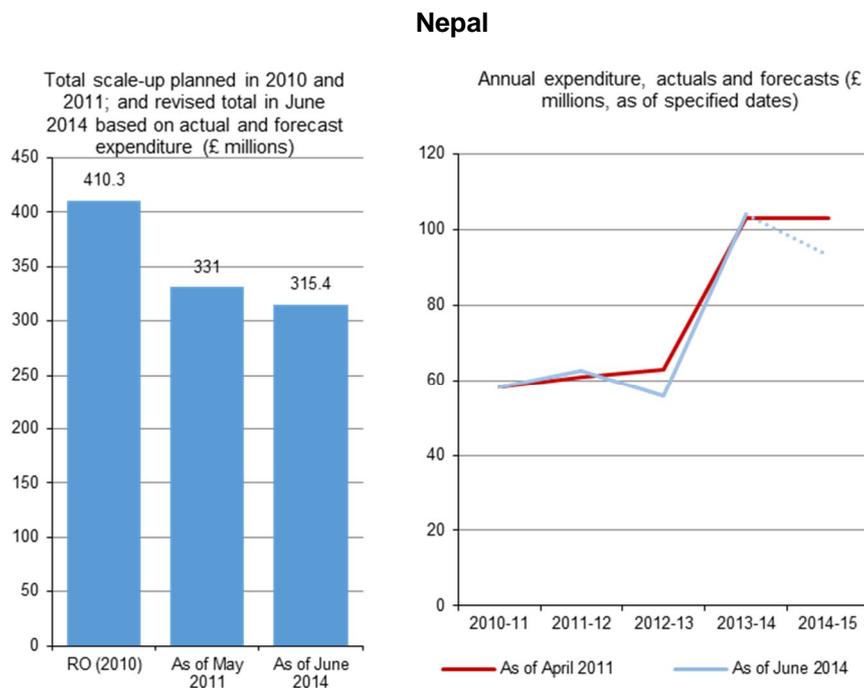
⁹⁸ Assurance Review of DFID Yemen, Internal Audit Department, October 2013.

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Nepal is an aid-dependent country, with between 25 and 28 million inhabitants. The 2006 peace deal, ending ten years of civil war, has given way to a stalled political process over the new constitution. DFID has a strong presence and partnership with government in all key sectors.

While the bid amounted to £410 million, representing a 228% increase on existing commitments, the agreed scale-up in the 2011 Operational Plan was 23% below the bid level at £331 million. With programme expenditure forecast at £94 million in 2014-15, Nepal is now on course to meet 95% of its revised Operational Plan 2011 target. Nepal benefited from existing commitments across an already broad portfolio of interventions at the time of the results offer process. According to the office, the scale-up has been phased in order to ensure long-term continuity, lesson learning, piloting and adjustment to new evidence and context. About 35% of DFID's expenditure goes through government channels, with another 40% through private sector service providers, 15% through NGOs and 10% through multilaterals. DFID perceives that there are good examples of linkages between bottom-up and top-down initiatives.

Figure A2.3: Nepal expenditure



DFID Nepal vision (Operational Plan 2011)

'UK support to Nepal aims to strengthen efforts to reduce political instability, the most significant barrier to poverty reduction in Nepal. We will be working with Nepali political leaders, and international partners to build government capacity and reduce the risk of corruption; support the integration/ rehabilitation of ex-combatants; support the writing of a new constitution; and ensure the holding of fair and open national and local elections.'

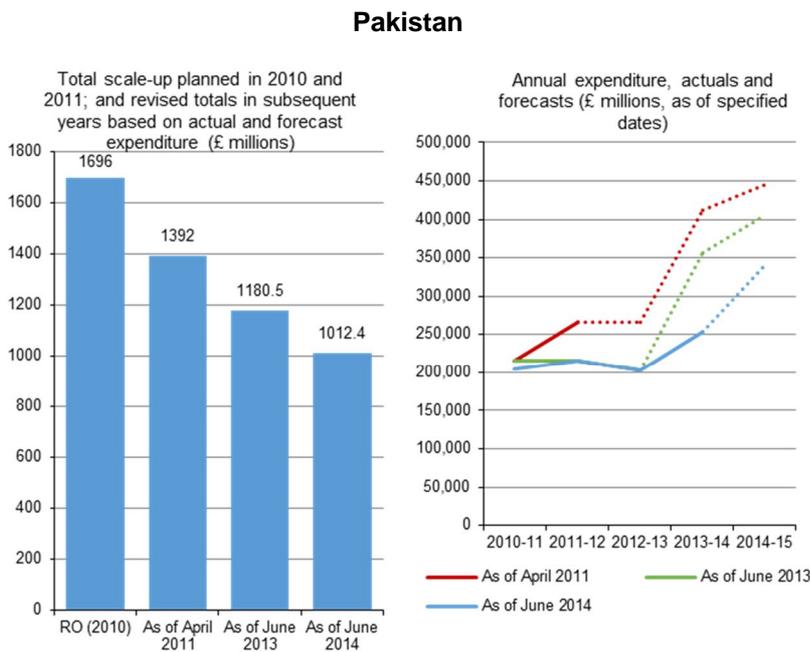
Nepal follows a risk-based approach to programme management, with a mix of delivery mechanisms being seen as essential to work nimbly and flexibly in the country. Home-grown practices include Basic Operating conflict-sensitive Guidelines; a Risk Management Office with regional presence; context analysis and profile risk matrices; and the use of a balanced scorecard to monitor the delivery of the Operational Plan. Staffing has not increased significantly but new advisory skills have been brought in. Operational costs amounted to 3.1% of programme expenditure in 2013-14, with the office moving towards a smaller number of larger interventions. Headline results show that targets have been met for job creation and safe latrines, while progress in road building, climate change, governance and security has been largely on track. Creating a long-term enabling environment and sustainability remain central to DFID's work. According to the office, the scale-up, combined with a stronger emphasis on value for money issues, has helped to strengthen DFID influence in the country.

Pakistan is a UK National Security Council priority country, with over 180 million inhabitants and fragility linked to the global fight against terrorism, long-held military dominance, tribal controlled areas and border tensions with India. It is a mixed environment with areas of extreme fragility and others which are open to more normal development interventions.

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The parliamentary elections in 2013 were the first to succeed in supporting transition from one elected government to another. Aid in Pakistan constitutes less than 1% of its gross domestic product (GDP). The bid amounted to £1.7 billion, equivalent to a 300% rise on existing commitments. The scale-up objective was revised downwards by 18% to a still optimistic £1.4 billion in 2011, before being revised further downward to £1.2 billion in the 2013 Operational Plan update. By June 2014, total expenditure in Pakistan was forecast to reach £1 billion over the period 2011-12 to 2013-14, 27% below what was initially envisaged in its 2011 Operational Plan. The office considers over-programming in Pakistan as needed because of the difficult operating environment and the high delivery risks.⁹⁹

Figure A2.4: Pakistan expenditure



DFID Pakistan vision (Operational Plan 2011)

‘Our aim is a stable and prosperous Pakistan that is at peace with its neighbours. The primary responsibility for this rests with the people of Pakistan... So the driving principle of our partnership with the Government of Pakistan is to use our investments to catalyse reform and spending in the four areas that are critical to Pakistan’s future: peace and stability; making democracy work; macroeconomic stability, growth and jobs; and getting the state to deliver.’

DFID Pakistan has retained a broad and diversified portfolio, with basic services constituting 42% of total expenditure over the period 2011-12 to 2014-15. A shift is expected to take place in 2014-15, as three new economic growth programmes gather pace. A key characteristic of DFID Pakistan – outside its support to federal programmes – is its focus on two provinces: Punjab and Khyber Pakhtunkhwa. This has enabled the office to build relationships with local authorities, although the office recognises that its initial support in Khyber Pakhtunkhwa still needs adjusting to the local context, given it is a significantly tribal area with influence and local control by the Taliban. The office uses government systems for about 55% of expenditure, mostly through sector budget support.

According to National Audit Office and Internal Audit reports in 2013,¹⁰⁰ DFID Pakistan has made good progress in ensuring adequate oversight of its programmes. The extensive monthly programme board and quarterly strategic meetings are cited as good practice in monitoring DFID’s indicators of success, alongside an outsourced £2 million Portfolio Risk Assurance Programme, which has put in place an effective portfolio monitoring tool.

The downside to tighter programme oversight is that it has become burdensome on programme teams and senior management. Operational costs amount to 3.5% of total programme expenditure in 2013-14.¹⁰¹ Progress towards results, as of September 2013, shows that of ten indicators, two (elections and humanitarian assistance) have been achieved; six (relating to education, cash transfers and micro-finance) are on track; one (maternal health) is marginally off-track; while one is awaiting national statistics. According to the office, these headline results only represent some 50% of what they have achieved. Other potentially transformative results have been achieved through lobbying and policy dialogue; cross-Whitehall partnership working; and the use of innovative and value for money interventions.

⁹⁹ CPRD.

¹⁰⁰ Assurance Review of DFID Pakistan, National Audit Office, 2013 Country Office Report; Assurance Review of DFID Pakistan Internal Audit Department, 2013.

¹⁰¹ Actuals, CPRD.

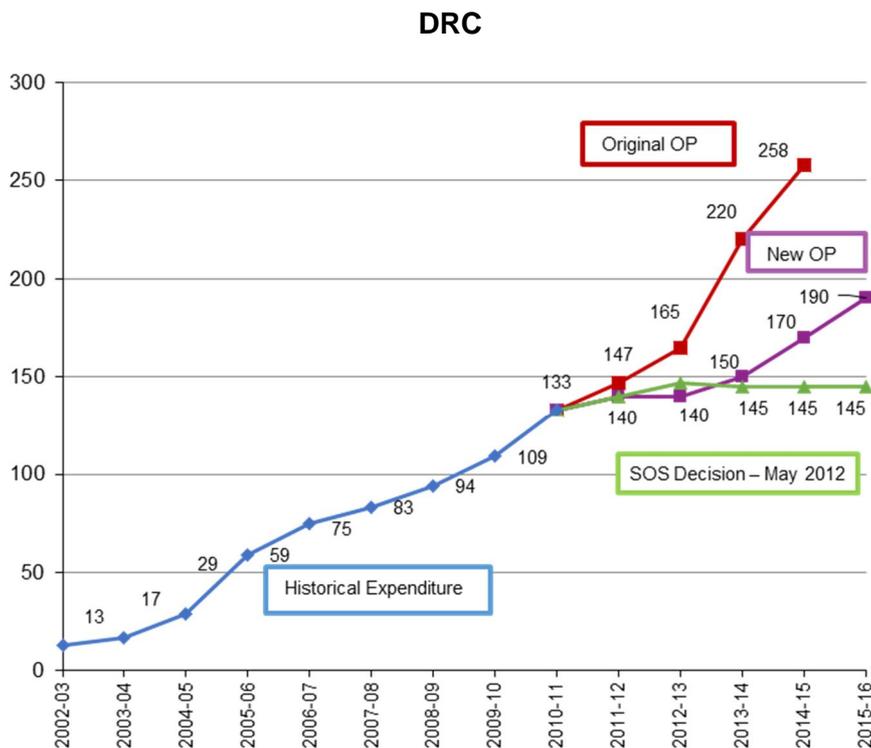
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Annex A3 – Summary of findings in DRC and Somalia (field-based case studies)

DRC, a country rich in mineral resources, with a population of 79 million, is entering its 12th year since full-scale civil war formally ended in 2002. The political transition culminated in the country's first multi-party elections in 2006. While country unity has been restored, the conflict in the east has continued, spurred by interlocking local conflicts over land, competition over mineral resources and regional power dynamics involving political elites from Kinshasa to Kigali.

The UK is a relatively new player in this French-speaking country. DFID has nonetheless become one of the country's largest donors, with annual expenditure rising gradually from £20 million in 2003-04 to what was planned to be around £170 million in 2014-15 (although after the reductions of planned expenditure made in mid-2014, this has reduced to £145 million). DFID's model of engagement is constrained by its limited access to a government, which, in turn, has yet to show real commitment, let alone capacity, to reducing poverty in the country. The office's bid consisted of proposals to spend £862 million over 2011-12 to 2014-15 – a 230% rise on existing commitments. The scale-up agreed in the Operational Plan 2011 was 8% below, at £790 million. In contrast with other fragile states, the scale-up in DRC has not been a linear one: in 2012, the Secretary of State for International Development decided to flat-line annual expenditure at £145 million.

Figure A3.1: DRC Operational Plan expenditure



DFID DRC vision (Operational Plan 2011)

'This DFID programme will see a major increase in UK development assistance to the DRC. It will respond to the challenge of delivering far more for poor people in terms of measurable, cost effective results, combined with a significantly enhanced drive towards wealth creation and economic growth. The UK Government's approach will reflect good practice as set out in DFID's peace building and state building strategy and will be guided by a conflict sensitive approach and 'Do No Harm' principles.'

This decision came at the same time as DFID agreed to provide budget support for Rwanda, a controversial move, because it coincided with confirmation of Rwanda's support to M23 rebellion in eastern Congo. The budget support to Rwanda was subsequently abandoned. With a new Secretary of State, spending targets in DRC were allowed to rise again and the office granted an extra year (2015-16) to meet its Operational Plan target. DFID DRC is set to meet 77% of its 2011 Operational Plan scale-up target this year and 100% in 2015-16. The reductions in available budget in 2014-15 noted above mean that the office now has to re-negotiate approved expenditure with partners. There are potential contractual and reputational risks.

The office has maintained a broad and diversified portfolio of interventions in wealth creation, security and governance and basic services to meet MDGs, with humanitarian assistance retaining a larger share than initially envisaged. Attempts to reduce the number of interventions by half and to focus on larger programmes have only partially materialised. Given the context of high fiduciary risk, the UK does not channel funds through government systems in

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DRC. Instead, half of DFID funding is provided through multilateral organisations (the UN and World Bank), 38% through international NGOs and 12% through commercial service providers. To work to scale and in a sustainable manner, DFID endeavours to work with the Government when and wherever it can, in recognition that the state is not homogenous and that some opportunities for engagement exist. Innovative approaches, such as using faith-based organisations in health, have also been introduced.

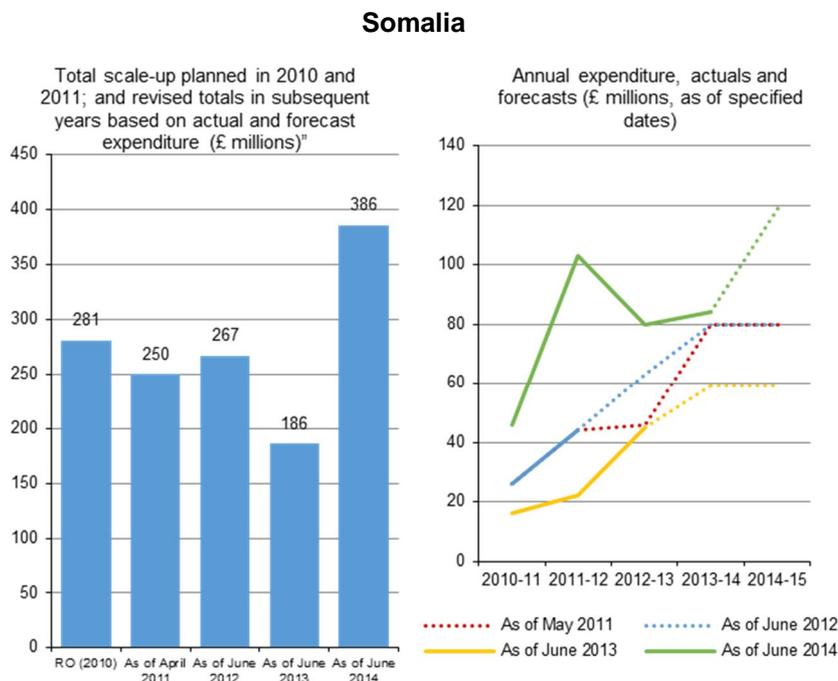
A major challenge to achieving value for money and ensuring strong programme and risk management in DRC is the size of the country, which is as big as Western Europe and where infrastructure is lacking, security hazardous and travelling time-consuming. As part of its 2013 Operational Plan update, the office announced its decision to withdraw from Maniema and concentrate on 6 out of the country's 11 provinces. In 2012, DFID joined the FCO in Goma (North Kivu), with a permanently stationed programme manager. In recent years, the office has become more successful in filling vacancies and has moved towards job specifications requiring minimum French, or providing language training before and during appointment. On a more practical level, DFID DRC has issues in operating key internal DFID systems, such as ARIES and QUEST, because of low connectivity and given the relatively complex procedures required. This negatively impacts programme management in the office. The operational costs, as a percentage of total programme expenditure, amounted to 3.9% in 2013-14.

In terms of results, the office aims to broaden gradually its past and present engagement in humanitarian assistance and basic service delivery and to move towards institutional reforms in a way that is responsive and flexible. Results in the 2013 Operational Plan update show that the office was half way through meeting its headline results in health and on track to meet its empowerment and community target through the DRC Tuungane programme. Indicators in wealth creation were revised during the inception phase for the DRC Private Sector Development programme. Beyond delivering headline results, the office is concerned with how to balance quantifiable results with softer qualitative aspects.

Somalia has experienced almost constant conflict since 1991. Al-Shabaab still dominates rural areas in South Central Somalia. Somaliland is a self-declared independent state and Puntland is semi-autonomous. The development of federal states in Jubaland and South West Somalia has now started. An independent DFID office (formerly a joint DFID Kenya and Somalia office) was opened in 2011, driven by the growth in the DFID Somalia programme and the improving Somalia country context. DFID Somalia submitted £281 million in its bid. This bid was cautious in its objectives, including interventions only where DFID Somalia was 'very confident' that it could demonstrate and quantify results. A total of £250 million was eventually programmed in the 2011 Operational Plan, with 36% earmarked for governance and security, 32% for humanitarian assistance and the remaining third going towards health and, to a lesser extent, wealth creation.

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Figure A3.2: Somalia Expenditure



DFID Somalia vision (Operational Plan 2011)

‘DFID aims to promote longer-term stability, and to transform the lives of poor Somalis. We aim both to address the humanitarian effects of the conflict and to consolidate local areas of stability by helping communities take control of their own affairs, create jobs, and improve access to women’s and children’s health and reproductive care. We will also promote government that is more broadly accepted, by helping the central and Somaliland governments to be credible alternatives to militias, and to build on widely accepted local government structures and ways of resolving disputes.’

Implementation of scale-up was slower because of the 2010-11 famine, although there was an increase in humanitarian aid in 2011-12 because of the famine response. According to recent estimates, DFID’s expenditure in Somalia will now amount to £372 million over 2011-12 to 2014-15 – although this figure now includes the £145 million Multi Year Humanitarian Programme, which was not included in the Operational Plan numbers.

DFID has moved towards an increasing presence in Somalia, with a recently opened office in Mogadishu (with one DFID representative based there for the long term and others making regular visits) and a small facility in Hargeisa. DFID would like to enlarge its presence in Hargeisa but there is reluctance to support this at present on the FCO side for reasons of cost. Operational costs in 2012-13 have reduced from 4.5% in 2011 to 3% of programme expenditure in 2012-13. DFID’s strategy and programmes cover all three geographic zones (Somaliland, Puntland and South Central Somalia) but DFID recognises that flexibility to respond to varying and changeable circumstances is critical and has to be built into all programmes. DFID perceives that its work is a core element of the UK Government strategy for Somalia by focussing on addressing the underlying causes of instability. The 2011 Operational Plan was characterised by an explicit use of a range of trusted UN and NGO implementing partners and an aim to channel the majority of funds through the UN, although DFID noted, for example, that it would only work with UN partners, such as World Food Programme, UNICEF and FAO, that provide accurate and regular monitoring information and demonstrate that sufficient and robust risk control measures are in place. This reliance on the UN as the main delivery partner has disappeared and DFID is now identifying ways to work with private sector implementing agents and with NGO consortia, as well as more traditional fragile states partners.

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Annex A4: Table of programmes reviewed in DRC and Somalia

DRC

Private Sector Development in DRC <i>'DRC Private Sector Development'</i>	2013-23
	Budget: £100 million Expenditure to date: ¹⁰² £5.3 million
'Reduced poverty through improved incomes of the poor.' ¹⁰³ (Making markets work for the poor, trade harmonisation, improved financing for small to medium firms, flexible facility to respond to business opportunities.)	
Supporting peace and stability in Eastern DRC <i>'Supporting Peace in DRC'</i>	2014-18
	Budget: £80 million Expenditure to date: £1.3 million
'Promote peace and stability in Eastern DRC and the implementation of the regional Peace, Security and Cooperation Framework (PSCF).' ¹⁰⁴ (Support for political processes that provide a framework for regional and national political settlement, support for national reform processes critical for peace, stability and recovery in DRC, support for co-ordination in international engagement, support for local level peace-building and recovery.)	
Acces aux soins de santé primaires <i>'DRC Primary Healthcare'</i>	2013-18
	Budget: £184.9 million Expenditure to date: £49.7million
'Strengthen basic health service provision in DRC in order to improve reproductive, maternal, neonatal and child health and to strengthen the capacity of the central Ministry of Health to support service delivery.' ¹⁰⁵ (Engagement with non-state providers of health services to strengthen public sector health provision, strengthening accountability for health service provision and strengthening the Government of DRC's Ministry of Health.)	
Security Sector Accountability & Police Reform Programme <i>'DRC Police Reform'</i>	2010-15 (suspended November 2014)
	Budget: £60.7 million Expenditure to date: £52.9 million
'Support the establishment of a more capable and accountable state that delivers security and rule of law to Congolese citizens.' ¹⁰⁶ (Strengthening oversight, improving police service delivery and management, strengthening monitoring and evaluation.)	

¹⁰² Expenditure figures provided in this table are from the time of our fieldwork.

¹⁰³ *Private Sector Development in DRC, Intervention Summary*, DFID, page 10, http://iati.dfid.gov.uk/iati_documents/4396026.docx.

¹⁰⁴ *Supporting Peace and Stability in Eastern DRC, Intervention Summary*, DFID, page 1, http://iati.dfid.gov.uk/iati_documents/4439313.docx.

¹⁰⁵ *Annual Review, Accès aux Soins de Santé Primaires*, DFID, July 2013, iati.dfid.gov.uk/iati_documents/4100691.docx.

¹⁰⁶ *Security Sector Accountability and Police Reform Programme in the Democratic Republic of Congo (DRC)*, Project Memorandum, DFID, 21 May 2009, unpublished.

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Tuungane Community Driven Reconstruction <i>'DRC Tuungane'</i>	2007-15
	Budget: £106 million Expenditure to date: £93 million
'Community development programme with the goal of community priorities and wellbeing being sustainably supported by a capable and accountable local governance system.' ¹⁰⁷ (Block grants to communities, promotion of good governance through formation of community level committees to choose and implement projects.)	
Water, Sanitation and Hygiene: Villages et Ecoles Assainis <i>'DRC UNICEF WASH'</i> Urban Wash (Mercy Corps) <i>'DRC Urban WASH'</i>	2013-19
	Budget: £159 million Expenditure to date: £30 million
'Increase the availability of sustainable water, sanitation and hygiene (WASH) services in the DRC.' ¹⁰⁸ (Supports a range of components implemented by different partners. We focussed on DRC UNICEF WASH and DRC Urban WASH. DRC UNICEF Wash is a national programme which aims to improve the survival and development of children by encouraging behaviour change in areas such as waste disposal and general hygiene. DRC Urban WASH is based in Goma and focusses on water infrastructure, management and behaviour change.)	

Somalia

Sustainable Employment and Economic Development <i>'Somalia Economic Development'</i>	2011-15
	Budget: £22.5 million Expenditure to date: £22 million
'Improve economic and employment prospects, targeting women and young people in conflict-affected communities in Somalia.' ¹⁰⁹ (Support the investment climate and regulatory framework in Somaliland to increase investment and growth.)	
Somaliland Development Fund <i>'Somaliland Development Fund'</i>	2013-16
	Budget: £25 million (total fund is £40.3 million, with contributions of £12.4 million from the Danish International Development Agency (DANIDA) and £2.9 million from Norway). Expenditure to date: £2.1 million
'A more stable and prosperous Somaliland and...improved and better resourced basic services for the people of Somaliland.' ¹¹⁰ (High priority infrastructure investments aligned to government priorities, building transparency and accountability and strengthening the state-citizen relationship.)	

¹⁰⁷ Business Case Intervention Summary, TUUNGANE - Community Driven Reconstruction Programme in DRC, DFID, 2014, http://iati.dfid.gov.uk/iati_documents/4381443.docx.

¹⁰⁸ Business Case and Intervention Summary, Increasing Sustainable Access to Water, Sanitation & Hygiene in the DRC, DFID, 2013, http://iati.dfid.gov.uk/iati_documents/4109740.doc.

¹⁰⁹ Intervention Summary, Sustainable Employment and Economic Development (SEED), DFID, 2011, http://iati.dfid.gov.uk/iati_documents/3717222.docx.

¹¹⁰ Somalia Development Fund Business Case, undated, <http://devtracker.dfid.gov.uk/projects/GB-1-202946/documents/>.

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Health: NGO Health Consortium Somalia <i>'Health Consortium Somalia'</i>	2010-16
	Budget: £45.5 million Expenditure to date: £27.4 million
Joint Health and Nutrition Programme <i>'JHNP Somalia'</i>	2012-16
	Budget: £38.9 million Expenditure to date: £27.2 million
Health Consortium Somalia 'Improvement in reproductive, maternal and newborn health and nutrition and contribution to an improvement in stability in the regions where service delivery will be targeted.' ¹¹¹ (Helping regional health authorities of Somaliland, Puntland and South Central Somalia to implement essential health services, with an emphasis on family planning and maternal and child health.)	
JHNP Somalia 'An improvement in reproductive, maternal and newborn health and nutrition, and a contribution to an improvement in stability in the regions where service delivery will be targeted.' ¹¹² (Supporting improvements in health and nutrition outcomes and improving the capacity and leadership of Somalia Health Authorities in managing the health sector.)	
Multi-year Humanitarian Programme <i>'Somalia Humanitarian'</i>	2013-17
	Budget: £145 million Expenditure to date: £32.8 million
'Enable lifesaving humanitarian actions in the short to medium term, and facilitate a longer term resilience building approach over the coming 4 years.' ¹¹³ (Emphasis on resilience and helping people to address food needs through different forms of agriculture. It has a large and structured research and third party monitoring component. Internal risk facility enables Head of Office sign-off up to £40 million humanitarian funding.)	

¹¹¹ Business Case: NGO Health Consortium Somalia (HCS) Extension, DFID, 2012, http://iati.dfid.gov.uk/iati_documents/3717709.doc.

¹¹² Business Case: Intervention Summary, Somalia - Joint Health and Nutrition Programme 2012-2015, DFID, 2012, http://iati.dfid.gov.uk/iati_documents/3717208.doc.

¹¹³ Annual Review, Multi-year Humanitarian Programme 2013-2017, DFID, May 2014, http://iati.dfid.gov.uk/iati_documents/4566985.docx.

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Annex A5: Summary of our beneficiary fieldwork

Introduction

The purpose of the beneficiary survey work, undertaken by TNS in DRC and Somalia, was to meet with intended beneficiaries to examine DFID's presence and impact and to determine what evidence there may be of beneficiaries in target areas witnessing evidence of state-building. The field team focussed on two or three selected programmes in each country and visited a random sample of beneficiaries in order to conduct these focus groups. The focus groups were supplemented by a small number of interviews with key informants to identify how programmes contribute to state-building, what are perceived to be the most important elements of state-building and how these interact with the root causes of instability and fragility.

This survey was designed as a purely qualitative study, employing focus group discussions (FGDs) and key informant interviews (KIIs) to gather views and opinions of programme beneficiaries, as well as key stakeholders who have been directly involved at inception stage and/or implementation of the programmes, to provide valuable insights and observations on programme effectiveness within the local context. The findings from the interviews and beneficiary discussions were then used to draw conclusions on perceived programme effectiveness. This beneficiary feedback was used to triangulate with other insights gleaned by the project team from interviews and field visits.

Findings from DRC

In DRC, fieldwork was conducted in North Kivu and Kasai Occidentale to meet with key informants and end-users. This included a qualitative study to review the following three programmes: Security Sector Accountability and Police Reforms (DRC Police Reform), Access to Primary Healthcare (DRC Primary Healthcare) and Tuungane – Let's Unite (DRC Tuungane). Perceptions about the role of the state in service delivery were collected for all three programmes. A total of 16 KIIs and 8 FGDs were conducted overall, with 64 beneficiaries participating in the FGDs, with good gender balance. The study was conducted in eight different sites, where the DFID programmes under review are currently being implemented:

- DRC Primary Health sites: Ndesha, Kananga, Itabalayi, and Maternité Nkulufu;
- DRC Police Reform sites: Ndesha and Kananga;
- DRC Tuungane sites: Rutshuru, Goma, Nyarubara and Bugomba Kananga.

Figure A5.1: Summary of KII and FGD participants per project

	DRC Primary Healthcare	DRC Police Reform	TUUNGANE
KII (Programme stakeholders)	4	4	8
FGDs (Beneficiaries)	2 (16 participants)	2 (16 participants)	4 (32 participants)

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Participant distribution and demographic information for FGDs

Figure A5.2: DRC Police Reform FGD participants (Location/Sex of respondent)

Project: DRC Police Reform Programme	Location	Number of participants	Sex	
			Male	Female
FGD 1	Ndesha	8	8	0
FGD 2	Kananga	8	4	4
TOTAL			12	4

Figure A5.3: DRC Primary Healthcare FGD participants (Location/Sex of respondent)

Project: DRC Primary Healthcare	Location	Number of participants	Sex	
			Male	Female
FGD 1	Maternite Nkufulu	8	2	6
FGD 2	Itabalayi	8	3	5
TOTAL			5	11

Figure A5.4: TUUNGANE FGD participants (Location/Sex of respondent)

Project: Tuungane	Location	Number of participants	Sex	
			Male	Female
FGD 1	Nyarubara	8	6	2
FGD 2	Nyarubara	8	4	4
FGD 3	Bugomba	8	5	3
FGD 4	Bugomba	8	4	4
TOTAL			19	13

Perceptions of the state in a fragile state context

Beneficiaries acknowledged the government's mandate to provide basic public services to the population. Many cited the lack of political will and commitment as a key reason for poor service delivery, together with on-going systemic challenges, such as poor local capacity and skills, inadequate infrastructure, low pay and corruption. External assistance and NGO contribution were identified as essential.

Key results from the three programmes were as follows:

DRC Primary Healthcare

Since implementation of DRC Primary Healthcare, beneficiaries identified that there has been marked improvement in quality of healthcare service delivery in the catchment areas of the programme. Key improvements noted include:

- the new approaches to healthcare payment;
- general organisation of service, including on-call nurses that provide services at night;
- new buildings or infrastructure, equipment and supplies; and
- provision of waivers to cover out-of-pocket costs for the poorest groups.

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These improvements in service quality and accessibility are perceived by beneficiaries as helping to rebuild trust between the local community and public health facilities, such that there is increased preference to use public facilities, rather than, for example, traditional healers. The most significant impact reported was the reduction of maternal and new-born morbidity and mortality in catchment areas surrounding facilities which are directly supported by the programme.

Health services are provided by the government, faith-based organisations and private hospitals. Private hospitals are largely inaccessible to the average citizen both because they are more often located in urban areas and because of cost. Beneficiaries reported general satisfaction with the quality of healthcare under SANRU (Santé Rurale), the NGO that is operating DRC Primary Healthcare in Kasai Occidentale. Beneficiaries noted a number of improvements including: greater staff motivation following payment of additional allowances; and the installation of solar panels for provision of electricity. Limited space and poor equipment were identified as key ongoing issues. Free access to care for the elderly and pregnant women was appreciated. Beneficiaries noted that basic drugs were generally available, notwithstanding some occasional shortages.

The work of the community-based Health Development Committees (known locally as 'CODESAs') in promoting community participation was seen to be effective in:

- facilitating regular discussion on matters that affect the communities, such as health, hygiene, sanitation and security;
- improving the communication with the state; and
- raising awareness and providing training about health and related services, from girls' education to vaccination campaigns.

In addition, the revitalisation of the CODESA system by DRC Primary Healthcare was said to have empowered the communities and encouraged them to be proactive and take responsibility for themselves. Women were among the most active members.

Marked improvements in healthcare provision at the public health facilities have been noted and attributed to DRC Primary Healthcare by beneficiaries. In addition, increased trust in the public healthcare system and quality of service delivery in public facilities were also viewed as positive outcomes of the programme.

Maternal and child health was an area of key interest, particularly to women beneficiaries. Some weaknesses, however, were identified by the beneficiaries, which related to the quality of service delivery. Several cases were cited of lack of equipment and appropriate medication at health facilities and of expectant mothers requiring specialised tertiary care that could not be provided, resulting in poor outcomes in child birth.

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DRC Police Reform

Safe and secure living environments are a major concern for beneficiaries of the DRC Police Reform programme. Reports from beneficiaries suggest that there has been a marked reduction in incidences of insecurity including theft and rape over the two-year period before this survey took place. These changes were attributed to the reforms initiated under DRC Police Reform. The community police component, which aimed to increase police presence in neighbourhoods and conduct night patrols, was cited by the majority of beneficiaries as a significant deterrent to crime. Interestingly, improved access to electricity and water were also cited as having significantly contributed to reduced insecurity. This highlights the potential gains from better synergy between donor-driven projects in DRC.

Although participants recognised that positive steps had been taken to improve security, including a greater police presence, most complained that security remained broadly inadequate, with many accusing police of poor performance and low accountability. Some participants argued that police presence had, in some cases, made security worse. Low salaries and lack of suitable equipment were put forward as the main explanatory factors for this. Police corruption and collusion with criminals were frequently mentioned, including at local level, leading to high levels of mistrust between the communities and police. Participants identified the need for more training within the police, especially for the more senior positions.

Participants knew about the new Police de Proximité, thanks to good communication at the inception of the project. Some, however, complained that the Police de Proximité had become complacent or were simply too distant from communities to deserve their name. One participant argued that paying the local youth to watch the neighbourhood worked better.

Increased police presence is a major deterrent to insecurity. There was, however, contention among respondents about the direct attribution of the DRC Police Reform programme to improvements in security. Community-led efforts to curb insecurity were argued as being far more effective in ensuring security than efforts by the police. Survey findings indicate that lack of protective equipment, low staff morale, low levels of pay and poor professional conduct (including corrupt practices and involvement in criminal activities) have tainted the image of the national police and have negatively impacted the way they are perceived by the community at large. This has resulted in high levels of mistrust and a low rating of the DRC Police Reform programme as a whole.

Interestingly, beneficiaries observed deterioration in the professional conduct of police officers compared to the initial stages of the programme. Cases were cited of police officer involvement in criminal activities, soliciting bribes and general laxity in service delivery, which was observed not to have been the case at the beginning of the programme. This was attributed largely to the impact of ongoing poor working conditions and low remuneration.

DRC Tuungane

According to the survey findings, the principles of the DRC Tuungane programme have helped the community to address their priority needs through participation, inclusion and ownership by all the members of the community. The community members believe that they are more able to mobilise citizen power at a community level and to take initiatives aimed at solving their common problems, as well as holding the government responsible on its part through the grass-root level structures including village development committees (VDCs) and CODESAs. Beneficiaries report improved monitoring of performance of initiated projects through ownership by the beneficiaries, leading to improved general quality of project implementation.

The DRC Tuungane projects surveyed included the construction of a health centre at Nyarubara; and a school, five safe water points and a market in Bugomba. These projects – as expressed by the beneficiaries – were confirmed to be a reflection of their needs and priorities, which had been identified through DRC Tuungane's participatory processes. The involvement and participation of different stakeholders through the election of VDCs and in choosing but also implementing projects, was stated to have ensured transparency. VDCs were also seen as playing an effective role in mobilising communities around the projects (including enhancing self-help approaches). In Nyarubara, community sensitisation on maternal and child health was carried out in conjunction with the construction of the health centre and recruitment of health workers, which together contributed significantly to improved health indicators.

Overall, community representatives showed a good understanding of DRC Tuungane, which was the result of a series of training sessions from the community members on issues including good governance, project supervision and the use of clear performance indicators.

Notwithstanding the above achievements, operational weaknesses, coverage and quality compromises of DRC Tuungane projects were identified and noted as issues that needed more attention. The participants in Bugomba also

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identified that they needed more training on the maintenance of water systems equipment, as well as sensitisation on water safety and hygiene. DFID has informed us that International Rescue Committee is currently working to address training needs, by conducting refresher training.

There was evidence of unmet expectations with regard to infrastructure quality and scale. Allocation of funding by DRC Tuungane towards construction or refurbishment of schools was generally viewed by beneficiaries to be inadequate. Funding provided by DRC Tuungane was seen to be far below the required cost of meeting the minimum norms and standards of the Ministry of Education for new classrooms. Moreover, respondents felt that DRC Tuungane failed to place enough focus and funding on improving sanitation in schools as a part of classroom construction, by building latrines and providing safe water, to reduce disease incidence and enhance security for girls.

Improving access to safe water sources was seen to be a positive outcome of the DRC Tuungane programme and one that achieved far more than simply improving hygiene and sanitation. The survey has identified several accounts of other ways the programme has directly and positively impacted the experience of end beneficiaries, in particular of women and young girls. By reducing distance to water sources, DRC Tuungane has reduced the risk of opportunities for sexual and gender-based violence. The total number of new water points was thought by beneficiaries, however, to be insufficient for the number of potential users.

The survey found evidence of improved community awareness of governance, accountability, participation and ownership at the grass-root level. Several cases were cited throughout the review process of the community members taking participatory initiatives and corrective measures aimed at improving quality of services and living standards. There was little evidence, however, that citizens' relationship with local government had been improved through the DRC Tuungane programme. This was the second area of anticipated governance improvements set out in the DRC Tuungane purpose statement. At a very local level, DRC Tuungane succeeded in establishing participatory and inclusive collective action. Despite direct questioning, however, beneficiaries could only identify limited improvements in the way that the communities were able to work with local government. Individual respondents noted that training in and awareness-raising on human rights had improved the way that communities were able to relate to the government in services – for example, the provision of water. These respondents commented that an understanding of the CODESA structures could contribute to holding government accountable for the delivery of health services.

Findings from Somaliland and Puntland

The survey of DFID programmes currently being implemented in Puntland and Somaliland included the Joint Health and Nutrition Programme (Somalia JHNP) and the Sustainable Employment and Economic Development programme (Somalia Economic Development). The survey employed a qualitative approach, using FGDs and KIIs to capture the views and opinions of study participants. By the end of the study, eight KIIs and four FGDs were conducted in Somaliland and Puntland. A total of 41 beneficiaries participated in the four FGDs. The study sites were locations where the specific programmes under review were being implemented:

- Somalia JHNP programme sites in Puntland: Awrculus (Garowe) and Haraar (Burtinle); and
- Somalia Economic Development sites in Beer (Burao) and Gebiley (Hargeisa). Beer and Gebiley illustrate two different types of bee-keeping activities – one at the village level (the Beer village group) and one in the private sector (the Bullale Honey Production Company in Gebiley).

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Figure A5.5: Summary of KII and FGD participants per project

	Somalia JHNP	Somalia Economic Development
KII (Programme stakeholders)	4	4
FGDs (Beneficiaries)	2 (20 participants)	2 (21 participants)

Figure A5.6: Somalia JHNP FGD participants (Location/Sex of respondent)

Project: Somalia JHNP	Location	Number of participants	Sex	
			Male	Female
FGD 1	Awrculus	10	6	4
FGD 2	Haraar	10	6	4
TOTAL			12	8

Figure A5.7: Somalia Economic Development FGD participants (Location/Sex of respondent)

Project: Somalia Economic Development	Location	Number of participants	Sex	
			Male	Female
FGD 1	Beer	11	6	5
FGD 2	Gebiley	10	6	4
TOTAL			12	9

Perceptions of the state in a fragile state context

In Puntland and Somaliland, the government is generally perceived as enforcing security and peace, which was viewed by most respondents as the most important service a government can provide. Yet, beneficiaries and key informants both indicated that the lack of political will and capacity (poor financial and human resources) explain the state's continued failure to deliver on its mandate. A common perception of beneficiaries is that the inability of the local government to deliver on its mandate has resulted in prolonged engagement of external organisations, such as DFID and the NGOs that it funds, in provision of basic primary services and rebuilding activities to stimulate economic recovery in Somalia.

At the moment, many beneficiaries view the government's involvement in health and economic sectors as inadequate and half-hearted – leaving a void that is largely filled by international NGOs. Beneficiaries in both Awrculus and Haraar commented on the minimal involvement of the government, viewing NGOs (specifically World Vision) as the sole provider of basic primary healthcare services. Some beneficiaries noted that community development initiatives have some potential to help citizens hold the local government to account.

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Somalia Joint Health and Nutrition (Somalia JHNP)

Since the start of implementation of Somalia JHNP, according to beneficiary reports, there has been marked improvement in quality of healthcare service delivery in catchment areas of the programme. Key improvements noted by beneficiaries and key informants include:

- a reduction in disease incidence and delivery complications (increased access to vaccinations);
- an improved ability of health workers to handle minor health issues (including diarrhoea, dressing minor wounds, coughs and flu, malaria, some types of skin diseases and uncomplicated births);
- a better overall organisation of services, including on-call nurses that provide services at night; and
- the construction of new buildings and related physical infrastructure (especially primary health units) and provision of medical supplies and equipment.

Beneficiaries perceive that there are improvements in terms of increased access to and quality of health service provision, helping to rebuild the trust between the local community and public health providers. The most significant impact reported was the reduction of maternal and new-born morbidity and mortality in catchment areas surrounding the facilities which are serving as programme entry-points. There were also some reports of a reduced incidence of common communicable diseases, such as polio and measles.

Issues identified by beneficiaries included the lack of diagnosis equipment and vehicles, medicine shortages – some respondents mentioning the lack of quality control by the Government and the lack of co-ordination between government and non-governmental agencies – and the lack of community awareness on health issues.

The Child Health Days were seen as a success but many beneficiaries held the view that vaccinations were not sufficiently readily available, that they were not received on a regular basis (except for polio) and that there was restricted access to many vaccinations. Many were unaware of additional services offered during the Child Health Days. Family planning remains unwelcome to local leaders and their traditional Muslim communities.

In relation to community dialogue and participation, committees have been set up in Garowe and Burtinle districts. These committees, however, were said to meet infrequently and to lack decision-making tools, with limited follow-through from Ministry of Health or international donor representatives. It was also noted that these committees are mostly male.

Beneficiaries noted marked improvements in the provision of healthcare services at public health units and these were attributed to Somalia JHNP. The improved quality of service delivery (especially in terms of access to vaccinations and first aid services) in public facilities was viewed as a positive outcome of the programme.

Beneficiaries cited maternal and child health as a key priority for the government and international assistance. Several weaknesses and challenges, however, were identified by the beneficiaries, relating to the quality of service delivery at the public health units, which may compromise the achievement of the overall programme objectives. Several cases were cited of expectant mothers requiring specialised care for complicated deliveries, where a lack of skilled staff, proper equipment or stocks of medication at health facilities and the lack of transport to the hospital have resulted in poor outcomes.

While beneficiaries cited improvements in access to vaccinations, they also identified infrequent deliveries of certain vaccinations, as well as the lack of adequate stocks of certain medications (mainly anti-malarials and anti-diarrhoeals). These issues risk derailing more positive impact.

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Somalia Economic Development

The lack of employment opportunities is a major concern in northern regions of Somalia. There is positive feedback from beneficiaries in relation to honey and bee-keeping activities supported by the Somalia Economic Development programme, indicating that there has been a marked improvement in the production of honey, the skills of producers and the overall quality and scope of activities. Specific identified improvements include:

- enhanced understanding of bees (as a productive livestock) as a means to improve one's livelihood;
- improved skills training;
- the provision of protective gear (suits and gloves), equipment and supplies for processing; and
- an increased local ownership and community dialogue about economic development.

Beneficiaries in this study were largely cognisant of the contributions by development partners in supporting locally driven initiatives. Beneficiaries and key informants recommended that the government should actively seek to engage with the private sector and local organisations in a concerted effort to increase employment opportunities and economic growth. This would involve regularising business operations, improving corporate governance and encouraging public-private dialogue to improve policy development.

The majority of beneficiaries confirmed that there had been good consultation by Somalia Economic Development partners before the start of the project and that their opinions had been taken on board better to tailor support to community needs. They voiced a high level of satisfaction with the services provided, noting in particular the availability of equipment and skills improvement. Beneficiaries identified gaps in programme assistance in relation to storage and production facilities which would protect the bees from parasites. The risk of drought remains the most significant obstacle to programme impact.

The primary beneficiaries of the Somalia Economic Development bee-keeping activities are women households, who witnessed a real improvement in their quality of life. The majority of leadership positions in bee-keeping associations and other community groups supported through the programme, however, are still occupied by men.

Key informants confirmed that there had been enhanced government involvement and co-operation between the bee-keeping associations and government ministries.

While beneficiaries noted that they had benefitted from improved self-confidence and quality of life, many agreed that it was premature to assume that the project had led to wider community development. Some participants raised concerns around the way that the selection process had heightened tensions between non-beneficiaries and beneficiaries.

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Annex A6: Performance of country portfolios

The tables below set out what DFID country offices have reported as their achievement against targets. Most of the targets are from the 2011 Operational Plans produced by each country office, are programme-related and focus in the main on the number of people supported through DFID. DFID's reported achievements against targets are taken from the 2013 Operational Plans, which were current at the time of our fieldwork.

Most of the target numbers are big, which reflects the scale of programmes. Only a few were linked to government statistics: revenue to GDP ratio (Sierra Leone); and voters' turnout (Pakistan, Yemen).

Typically, the reported results show a mix of on-track and off-track targets:

- in DRC, DFID is on track to meet its targets in health, water and sanitation, elections and local governance. DFID is off track in road building. The late programme start means that there has been no progress yet against PSD-related results (number of jobs created and number of firms set up);
- in Somalia, DFID has achieved employment figures but health sector data are not yet available; and
- DFID Nepal and Yemen exceeded some targets (number of jobs created with DFID support and WASH).

In a number of cases – in particular in DRC and Pakistan – these results are reported against targets that have been revised downwards between the 2011 and 2013 Operational Plans. This illustrates the overambitious nature of aspects of the initial plans, which have been tempered by the realities of operating in fragile states.

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Nepal¹¹⁴

Pillar/ Strategic Priority	Indicator	Expected Results (including year)	2013 Operational Plan Progress Towards Results
Wealth Creation	Number of direct jobs created with DFID's support.	115,000 women by 2015. 115,000 men by 2015.	Over 48,000 jobs were created in 2012-13 (exceeding the annual forecast by 15,000), mainly through the rural infrastructure, skills and agriculture programmes. Good progress reported towards the target.
	Length of roads built, upgraded, maintained or rehabilitated with DFID support.	4,232 kilometres by 2015.	On track to achieve the target. In 2012-13, DFID exceeded the forecast by building or maintaining over 1,300 km of road.
Climate Change/ Disaster Risk Reduction	Number of people with increased climate and disaster resilience. ¹¹⁵	4 million by 2015: 2.19 million women; and 1.81 million men.	Increased resilience to the effects of climate change and disaster for over 600,000 people and on track to achieve the results target by 2015.
	Number of poor and excluded people lifted out of poverty by DFID's forestry work.	570,000 by 2015: 313,500 women; and 256,500 men.	On track to achieve the target to lift 570,000 people out of poverty through the forestry programme, despite project delays hampering progress in 2012-13.
Governance & Security	Number of minors and late recruited former Maoist combatants given training and reintegration support. ¹¹⁶	2,100 by 2013.	DFID's target of 2,100 by 2013 was met and was replaced with a target to support elections in Nepal.
	Percentage of local government projects for which public audits conducted.	93% by 2015 (from 78% in 2009).	The percentage fell to 52% in 2012-13, due to a lack of budget to local bodies until January 2013, meaning no work was carried out. Forecasts suggested that the 2015 target will be met.
MDGs Human Development	Additional number of unwanted pregnancies averted through DFID funding.	41,000 by 2015.	Information for 2012-13 was not available, though the target was on track given over 3,000 unwanted pregnancies were averted in 2011-12. The target was increased to 108,000 in 2012 and from 108,000 to 400,000 in 2013 due to the inclusion of a recently approved family planning project.
	Additional number of people who benefit from safe latrines.	110,000 by 2015 (55% women).	130,000 people (exceeding target by over 100,000) benefitted in 2012-13, due to change of approach in implementation. The previous target was met two years early and DFID therefore revised this target from 110,000 to 250,000 people by 2015.

¹¹⁴ Operational Plan 2011-2015, DFID Nepal, DFID, April 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67549/nepal-1.pdf; Operational Plan 2011-2015, DFID Nepal, DFID, Updated June 2013, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/208964/Nepal.pdf.

¹¹⁵ Original indicator was "Number of poor and excluded people with reduced climate vulnerability", with a target of 3 million by 2015 (1.65 million women and 1.35 million men). This revised target was introduced in the 2012 Operational Plan.

¹¹⁶ Original indicator was "Number of former Maoist combatants reintegrated to civilian life", with a target of 3,000 by 2015. This revised target was introduced in the 2012 Operational Plan.

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Pakistan¹¹⁷

Pillar/ Strategic Priority	Indicator	Expected Results (including year)	2013 Operational Plan Progress Towards Results
Education	Number of additional children supported by DFID in primary education (each year).	Total of 4 million in 2015.	1.2 million children in 2012-13 (0.7 million girls).
	Number of additional children supported by DFID completing primary education (each year).	Total of 800,000 in 2015.	270,000 children in 2012-13 (150,000 girls).
	Number of additional children supported by DFID in lower secondary education (each year).	Total of 400,000 in 2015.	700,000 children in 2012-13 (630,000 girls).
Maternal Health ¹¹⁸	Number of additional births delivered with the help of nurses, midwives or doctors through DFID support (cumulative)	Total: 1 million by 2015.	Data unavailable.
Governance & Security	Voter turnout in next General Election.	37 million overall (2013), with 45% female.	Elections were scheduled for May 2013. ¹¹⁹
Wealth Creation	Number of additional people with access to microfinance.	Total: 1.5 million by 2014. Female: 897,000.	390,000 by 2013 (of which 220,000 were female).
	Number of additional people trained in new skills.	Total: 125,000 by 2015. Female: 50,000.	10,000 by 2013 (of which 5,000 were female).
Poverty, Hunger and Vulnerability	The number of people receiving DFID-supported cash transfers.	1,111,500 in 2014. Female: 555,750.	2.5 million in 2012-13 (of which 1.2 million were female).
Humanitarian	Number of additional flood-affected individuals reached with humanitarian assistance.	Total: 2.5 million by 2012	Over 2.7 million individuals reached by 2011-12.

¹¹⁷ Operational Plan 2011-15, DFID Pakistan, DFID, April 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67573/pakistan-1.pdf; Operational Plan 2011-2015, DFID Pakistan, DFID, Updated June 2013, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209443/Pakistan2.pdf.

¹¹⁸ Original 2011 indicator was "Number of additional maternal deaths averted", with a target of 3,600 by 2015. This new target was introduced in the 2013 Operational Plan.

¹¹⁹ New results from the 2013 Pakistan Election (47 million voters) became available after this Operational Plan was drafted.

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Sierra Leone¹²⁰

Pillar/ Strategic Priority	Indicator	Expected Results (including year)	2013 Operational Plan Progress Towards Results
Governance and Security	Access for remote communities to mediators and paralegal services.	50% (2015).	0% (March 2013), due to elections in November 2012 and unforeseen programme delays. Forecast to reach 30% in 2013-14.
	Revenue to GDP ratio.	18% (2015).	13% (September 2012).
Water and Sanitation	Number of people with sustainable access to improved sanitation facilities (DFID attributable).	542,300 in 2014 (women 276,600). (Cumulative total: 1,508,300 2011-2015.)	470,000 (240,000 women, September 2012).
Health	Maternal Mortality Ratio.	600/100,000 (2015).	Survey executed in 2013. Data were expected to be available in mid-2014.
	Percent and number of births delivered by skilled health personnel.	75% / 172,000 in 2015 (of which 75,400 are DFID attributable; 168,900 DFID-attributable cumulatively 2011-2015).	90,000 (cumulative, March 2013. There had been no national survey since 2008. Percentage figure due to be available when survey data released, which was due to be mid-2014).
Education	Number of children supported by DFID in lower secondary education.	36,300 (girls 48%, 17,400), (cumulative 106,900 2011-2015).	33,000 (15,000 girls, September 2012).
	Number of children completing primary education supported by DFID (proxy for quality).	24,200 in 2014 (girls 49% 11,900).	18,000 (9,000 girls, September 2012).
Wealth creation	Number of jobs created.	Additional 200,000 each year (100,000 for women), DFID attributable.	16 (50% women, March 2013) – early stages of programme implementation. 10,000 people (of which 50% women) were forecast to benefit from jobs and opportunities to generate income in 2013-14 (against 2015 target of 29,025), once the programme started.

¹²⁰ Operational Plan 2011-2015, DFID Sierra Leone, DFID, April 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67565/sierra-leone-1.pdf; Operational Plan 2011-2015, DFID Sierra Leone, DFID, Updated June 2013, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209408/Sierra_Leone1.pdf.

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Yemen¹²¹

Pillar/ Strategic Priority	Indicator	Expected Results (including year)	2013 Operational Plan Progress Towards Results
Humanitarian	Number of people receiving emergency food assistance (including emergency food aid and emergency livelihoods assistance but not nutrition support).	300,000 (2012-13).	Final figures unavailable. In the first nine months of 2012-13, 220,000 people had been provided with food assistance.
	Number of people provided with essential health services.	170,000 (2012-13).	40,000 people directly received healthcare in the first nine months of 2012-13. A much larger group gained access to healthcare through training, equipment and medicines provided, but the data were not strong enough to give more detail.
Poverty, Hunger and Vulnerability	Number of people receiving DFID-supported cash transfers (including public works employment).	42,000 people directly benefiting from public works income, each year, for four years, to 2015.	20,000 delivered in 2012. There were delays in the start-up of new labour intensive work programmes. The programme anticipated reaching its targets in 2013 and 2014.
	Number of women and children reached with an integrated package of malnutrition prevention and screening interventions.	1.65 million (2012-2015).	10,000 women and children were reached in the first quarter of this project (Quarter 4 of 2012), including more than 9,000 with Severe Acute Malnutrition (SAM), who were treated due to DFID support.
Governance and Security	Number of people who vote in elections supported by DFID.	Baseline: Estimated 6.6 million voted in the 2012 presidential elections. Expected results: These high levels of voter turnout are maintained for planned constitutional referendum in 2013 and the next round of presidential elections in 2014.	No elections were planned during 2012-13. The support to the constitutional referendum in 2013 and presidential and parliamentary elections in 2014 was on track.
Wealth Creation	Number of people provided with new access to finance (deposit accounts) (and the percentage of these who are female) through DFID support.	44,700 (60% female) (2012-2015).	20,000 (31% female) achieved in 2012. On track but more work needed to target females.
	Number of jobs indirectly created through DFID support (based on the International Finance Corporation model of jobs indirectly produced through workstreams on access to finance and business training).	2,700 (2012-2015).	3,000 in 2012. The result had already exceeded the target.

¹²¹ Operational Plan 2012-2015, DFID Yemen, DFID, August 2012, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67341/yemen-2012.pdf Operational Plan 2012-2015, DFID Yemen, DFID, Updated June 2013, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/208953/Yemen_.pdf.

Annex

DRC¹²²

Pillar/ Strategic Priority	Indicator	Expected Results (cumulative)	2013 Operational Plan Achieved Results by Financial Year End 2012-13 (% of 2016 target met)
Wealth Creation ¹²³	Kilometres of roads rebuilt.	1,700 (originally by 2015, revised to 2016).	239 (14%).
Wealth Creation/¹²⁴ Business Environment	Number of new firms set up.	8,000 by 2016 (estimate).	0 (0%).
	Number of new jobs created.	43,000 by 2016 (estimate).	0 (0%).
Governance/Elections	Number of people who register to vote (of which % women).	31 million (52% women) by 2015;	32 million (103%).
	Number of people who turn out to vote.	22 million people by 2015	18,900,000 (86%).
Governance/Accountability ¹²⁵	Number of people supported to have choice and control over their own development and to hold decision-makers to account.	1,700,000 by 2015	1,370,000 (80%).
MDGs – Education	Number of girls and boys supported by DFID in primary school.	186,000 girls and 186,000 boys by 2015	0 (0%). (Target revised to 161,000 girls and 161,000 boys)
MDGs – Health/Malaria	Number of Long Lasting Insecticide Treated Bed nets distributed using DFID funding and number of people reached.	9.5 million bednets reaching at least 15 million adults and children by 2015	4,400,000 (49%). (Target revised to 9 million bed nets reaching at least 13.5 million people by 2016.)
MDGs Health/Reproductive Health ¹²⁶	Number of births delivered with the help of nurses, midwives or doctors.	393,000 by 2016.	160,000 (42%).
MDGs – WatSan/Rural Water ¹²⁷	Number of people with sustainable access to clean drinking water sources (number of women and girls)	1.9 million by 2016 (at least 975,000)	750,000 (40%)
	Number of people with sustainable access to an improved sanitation facility (number of women and girls)	1.6 million by 2016 (at least 800,000)	480,000 (30%)
	Number of people reached with access to improved hygiene (number of women and girls)	1.6 million by 2016 (at least 800,000)	570,000 (36%)

¹²² Operational Plan 2011-2015, DFID Democratic Republic of Congo, DFID, May 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67492/drc-2011.pdf; Operational Plan, 2011-2015, DFID Democratic Republic of Congo, Updated June 2013, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209413/DRC1.pdf.

¹²³ Indicator revised from "Kilometres of road rebuilt or upgraded", as stated in the 2011 DRC Operational Plan.

¹²⁴ Indicator revised from "Reduction in time (days) and real cost (% Gross National Income per capita (GNI pc)) to start a business", as stated in the 2011 DRC Operational Plan.

¹²⁵ Indicator revised from "Number of communities empowered by DFID to monitor local government/service performance through report cards", as stated in the 2011 DRC Operational Plan.

¹²⁶ Indicator revised from "Number of couple years of protection (CYP) using modern family planning methods delivered with DFID funding", as stated in the 2011 DRC Operational Plan.

¹²⁷ Indicators revised from "Number of people who have access to a healthy environment (clean water, adequate sanitation and hygiene education) via DFID support", with a target of 6.2 million (of which at least 3.1 million women and girls).

Annex

Somalia ¹²⁸

2011 Operational Plan Indicators and Targets			2013 Operational Plan Progress Towards Results
Pillar/ Strategic Priority	Indicator	Expected Results (including year)	
Wealth Creation	Additional number of jobs created.	Somalia: 45,000, 15,000 for women (2015) (end- year snapshot), of which: Somaliland: 22,500, 7,500 for women (2015).	60,000 jobs created, comprising 40,000 men and 20,000 women (2013).
Governance and Peace-building	Total number of local governments (districts and communities) that meet citizens' performance criteria (participatory planning, budgeting, execution of priority services and projects).	Somalia: 16 districts, 23 communities (370,000 beneficiaries) (2015) (end-year snapshot), of which: Somaliland: 8 districts out of 9 supported (2015).	UN Joint Programme for Local Governance operating in 16 districts in Somalia (2013).
Health	Number of female contraceptive users (aged 15-49 years old) for birth spacing each year.	Somalia: 100,000 (2015) (end-year snapshot), of which: Somaliland: 55,000 (2015).	Data not available but programmes/implementation reported as on track.
	Number of births delivered with the help of nurses, midwives or doctors, with DFID support each year.	Somalia: 100,000 (2015) (end-year snapshot), of which: Somaliland: 30,000 (2015).	
Humanitarian	Number of starving children aged under five benefiting from specific acute malnutrition prevention programmes each year.	Somalia: 61,000 (2015) (end-year snapshot), 31,500 will be girls.	130,000 children benefitted in 2012-13, including 60,000 boys and 70,000 girls.

¹²⁸ Operational Plan 2011-15, DFID Somalia, DFID, May 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67506/somalia-1.pdf; Operational Plan 2011-2015, DFID Somalia, DFID, Updated June 2013, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209263/Somalia.pdf.

Annex

Annex A7: Assessment of performance of case study programmes

This annex provides a high-level assessment of the impact of each of the programmes we reviewed in DRC and Somalia. We provide a rating of each of the programmes we reviewed but not for the two programmes that have only just started – DRC Private Sector Development and Supporting Peace in DRC – as it is too soon for these programmes to have had any impact.

Programmes that have been delivering for more than one year	Rating
<p>DRC Tuungane</p> <ul style="list-style-type: none"> ■ Community-driven reconstruction programme, aiming to support community priorities and well-being sustainably with a capable and accountable local governance system.¹²⁹ ■ The evaluation of the first phase found limited evidence of the difference between DRC Tuungane and non-DRC Tuungane villages. This led to refocussing on fewer sectors in fewer areas. ■ The 2014 Annual Review shows most quantitative targets met or exceeded, such as 100% of Village Development Committees where vulnerable groups participated actively in the sector selection against target of 30%. ■ Limited evidence that the capacities for constructive engagement around service provision had strengthened. ■ Positive feedback from beneficiaries about the participatory processes used for the project selection process but the wider governance objectives of improving capacity in local government were generally not achieved. ■ Beneficiaries report positively on the fact that tangible assets are received which meet needs but there were criticisms about poor quality of build and equipment and that levels of funding were too low to achieve the required impact. ■ The 2014 Annual Review also identifies a need for balance between construction and governance activities and notes that the outputs may not lead to governance outcomes. 	
<p>DRC Police Reform</p> <ul style="list-style-type: none"> ■ A well-integrated programme delivering impact from community policing, community empowerment and dialogue and transforming the behaviour of police and their relationship to the population. ■ There has been a major turnaround since 2011 when it was failing. ■ In 2013, it exceeded expectations for four out of seven outputs and met the expectations for the other three, hitting most quantifiable indicators (80% of police officers in pilot provinces understand Police de Proximité (community policing) principles against target of 50%). ■ Beneficiaries acknowledged that there has been an increased visible presence of the policing and that they have seen a genuine attempt to address insecurity. It was noted, however, that the presence of security agents in the community did not, on its own, improve security and that serious weaknesses, including criminal activities by police and corruption, compromised the quality of service delivery. ■ Potential to build on synergies with DFID-funded health programmes. ■ There are concerns about sustainability, and in particular how the model piloted to date in DRC Police Reform can be rolled out, given the likely high cost of this. 	

¹²⁹ Programme Goal Statement. Programme Memorandum Tuungane extension final, DFID, 22 January 2010, page 5.

Annex

Somalia Economic Development

- First mover: the first DFID (and donor) Private Sector Development programme in Somalia, aiming to create jobs through development of market infrastructure, value chains and building the enabling environment for the private sector.
- By the September 2013 annual review, the market development component exceeded its targets and created 150,000 job equivalents (53,000 long term), trained 5,000 people in market oriented skills of whom more than 70% were able to find employment and established market infrastructure in key sectors through Public-Private Partnerships. Updated figures (from mid-2014) indicate creation of over 200,000 job equivalents (72,000 long term).
- The enabling environment in Somaliland has mobilised \$15 million of private investment and assisted improvements in Berbera Port.
- Beneficiary feedback on bee-keeping and honey projects is very positive: they note tangible economic impacts, improved value chains and also personal improvements to their quality of life. A significant positive gender impact was noted.
- Beneficiaries cautioned that there was no evidence of wider community development, in terms of wider economic growth, improved infrastructure or access to basic services.
- Difficulties were noted with programme governance, including tensions between the different UN agencies and World Bank and poor reporting as a result of ineffective consortium management. The FAO was not an effective manager of partners and DFID had weaker control over a UN agency than over an international NGO or private contractor. It is difficult to ensure strong coherence between programmes and therefore build on them.
- Security issues have affected delivery of results.
- There have been significant challenges with the FAO. The FAO procurement procedures and requirements to liaise with headquarters have caused lengthy delays. DFID perceives that, although the FAO has delivered the programme, it has not delivered the hoped-for catalysing effect and, therefore, DFID has decided to go out to the private sector for the third round of Somalia Economic Development – now called Promoting Inclusive Markets in Somaliland (PIMS).



Annex

Programmes that have been delivering for more than one year	Rating
<p>Somalia Health Consortium</p> <ul style="list-style-type: none"> ■ The programme has consistently performed well with annual review scores of 2 (2011), A+ (2012), A (2013), A (2014). ■ The programme has provided support to policy, strategy and human resource systems, especially in Somaliland (by developing a Human Resource Management Information System and supporting a workforce survey). ■ Referral systems have been strengthened through the provision of ambulances. ■ There is an increased focus on eradicating female genital mutilation, training health workers on sexual and gender-based violence and community advocacy, establishing a sexual and gender-based violence database in Sahil region. ■ Strong progress has been made in improving access to health services in target areas. Some targets have been met or exceeded, such as those for immunisation, antenatal clinic coverage, basic nutrition to children and pregnant and lactating women and work with private sector pharmacies. Results against targets for maternal mortality are awaiting the next Health Survey. 	
<p>Somalia JHNP</p> <ul style="list-style-type: none"> ■ This was designed as the implementation phase of the pilot work undertaken by Somalia Health Consortium (above) – including other donors; building government systems; and developing owned sector plans. ■ The UN agencies – UNICEF, UNFPA and the World Health Organisation – have a mandate to strengthen state health systems. To date, there has been poor delivery by the UN in Somalia due to UN bureaucracy; poor quality of staff in the field; and a lack of capacity building for sector plan development. ■ In June 2013, DFID carried out its first Annual Review and scored the programme as ‘moderately not meeting expectations’, noting that the programme had moved very slowly in its first 16 months. The programme was placed on a Performance Improvement Plan (PIP), which focussed primarily on management structures, improved funds flow and other management practices to improve the efficiency and effectiveness of project management. Following a review in February 2014, the PIP was revoked as it was considered that sufficient progress had been made. ■ Relatively small numbers have been trained (20 midwives to July 2014 in South Central Somalia) and a lack of a baseline means that other targets are proving difficult to measure. The most recent annual review, however, gave the output 2 on health and workforce development an A+, with over 500 people trained in various fields (mainly in Somaliland and Puntland). ■ To make up for failures in service delivery (no progress was made in two years against the output with most weighting), Somalia JHNP held Child Health Days – large-scale campaigns of immunisation – to ensure that it hit 2014 targets (but not in the way envisaged in the business case). To some extent, this undermines the programme’s theory of change. DFID believed, however, that this is a credible intervention to support in a fragile post-conflict setting with very low immunisation levels and no routine services. Beneficiaries note a real improvement in specific service areas – maternal and child healthcare, dehydration and acute malnourishment and first aid services. Unlike in the past, common ailments can now be treated in the local health facilities. ■ Beneficiaries report that there remain major gaps and that the overall quality of healthcare is inadequate or poor. 	

Annex

DRC Urban Wash

- This contains three components: water infrastructure, management and behaviour change.
- There is a strong emphasis on long-term sustainable results, infrastructure with an economic life of over 25 years and sustainable business models for the public water utility organisation.
- A phased approach has allowed time to test and refine the programme design and strategy.
- Evidence of doing things differently includes working on accountability arrangements, with the establishment of water committees; contracting out private contractors for engineering work; and using an NGO to manage the tap stands.
- Mercy Corps has the capacity to implement a project of this size and is already implementing a Global Poverty Action Fund programme in this sector.
- Previous phases have had impact: 25 kilometres of pipelines, two 700,000-litre water storage tanks; and 27 water taps. The selling price at tap stands is much cheaper than buying water from vendors.
- It is a good example of learning by DFID DRC from past experience (the failure of a previous project in Mbuji Mayi) but there are limited opportunities for DFID DRC to share learning with DFID Global Poverty Action Fund.



Programmes that have been delivering for less than one year

Rating

Somaliland Development Fund

- The Somaliland Development Fund (SDF) funds projects on improved infrastructure and service delivery for all citizens, helping to reduce poverty and secure economic growth. Eight projects were identified for the first phase (2013). Six are fully developed and in the process of being implemented and two are in the process of being developed (£15.8 million in total). Four projects are identified in the second phase (2014), all of which are currently under development (£13.8 million). The projects include road building and improvement of the water supply network in Hargeisa city.
- It is too soon to tell if the programme outcome will be achieved, but there has been early impact relating to the SDF's focus on government ownership. As a result of SDF, the National Planning Commission is meeting on a regular basis to lead the prioritisation process and as a consequence has become more effective.
- DFID was a 'first mover' and demonstrated that funds can work in this context; other funds are now being developed.
- There has been limited impact on the aim 'to support the authorities to put in place rigorous budget and fiscal processes for prioritising and managing the budget and lay the foundations for a more open and accountable budget process', although this will take time to be achieved and is not expected until towards the end of the project.



Somalia Humanitarian

- This has a convincing theory of change for a new approach to humanitarian work, based on new thinking in the sector.
- The resilience component has been greeted enthusiastically by partners. The built-in 'internal risk facility' is already proving its worth, as DFID Somalia has been able to respond rapidly to early warning of the 2014 food crisis. The mobilisation of a £2.5 million tranche in June 2014 took three to four weeks, rather than the usual three to four months.
- The results component has started soundly (despite some UN opposition). The approach is already being replicated by other countries.



Annex

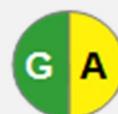
DRC Primary Healthcare

- The original Access to Health Programme was £80 million, from April 2008 to March 2013, to fund access to healthcare. The new DRC Primary Healthcare programme was designed from lessons learned from the previous programme, to respond to lack of quality and to address the unsustainability of free healthcare. The new DRC Primary Healthcare programme quadruples the number of beneficiaries (now around 9 million), through a doubling of funds.
- It is a basic health programme aimed at improving lives at grass-roots level through: basic preventative health services; maternal and child health; nutrition; remobilising community structures; and safe water components.
- Achievements during the most recent quarter included: 61,988 births were assisted by skilled health personnel; 71,195 children were vaccinated; 42,461 pregnant women received two doses of IPT treatment for malaria; 75,568 pregnant women with children under one received insecticide-treated bed nets; 714,328 people sought care in Accès aux Soins de Santé Primaires-supported health facilities; and 3,306 people received training to improve health services delivery and management.
- The Annual Report notes that, in the new 36 health zones (which had not been included in the previous programme), positive progress was observed on many fronts, including an increase in utilisation rates. There was, however, an impact in former Access to Health zones as a result of the shift from a free healthcare policy to one of subsidised fees: utilisation rates dropped from 0.47 to 0.36 as the health zones no longer offered free healthcare.
- Beneficiary feedback indicated high levels of satisfaction with the quality of healthcare.
- The new fee-based system was supported by beneficiaries, who credited it with an improvement in the overall quality of healthcare services at the local facility.



DRC UNICEF WASH

- Villages Assainis (healthy villages) is the DRC government's national WASH programme for rural areas: a behaviour change process focussed on human waste disposal, household waste, cooking habits and general hygiene, including hand washing. Once changed behaviours have been assessed, a water pump is installed or a spring is protected to provide safer and more accessible water. At this point, the village is certified as 'healthy' and receives recognition of its status.
- By September 2013, 3,481 villages and 1,069 schools were certified as 'healthy' in 11 provinces. Over 2.4 million people live in the covered villages, with 480,000 schoolchildren in the schools. 53% of these results are attributable to DFID funding.
- Community owned 'action plans' are implemented. Once the community achieves minimum programme norms, it can be certified 'healthy'.
- There are a number of fundamental improvements to the model for Phase II, partly in response to an ICAI report on working with UNICEF,¹³⁰ including: continuing post certification; consolidation of NGOs and the way of working, for example, by clustering villages.
- There had been reduction in morbidity and mortality of 70% from water-borne diseases in the village that we visited. The 2013 ICAI report on DFID's work with UNICEF found that whilst – according to DFID and UNICEF data – the programme is delivering positive health outcomes, the data do not currently demonstrate whether these results are being sustained over time and there is a lack of data on diarrhoeal morbidity. An impact evaluation was commissioned and a post certification programme designed to repeat the original survey and report results to a central database system on diarrhoeal morbidity.



¹³⁰ DFID's Work Through UNICEF, ICAI, March 2013, <http://icai.independent.gov.uk/wp-content/uploads/2010/11/ICAI-report-DFIDs-work-with-UNICEF.pdf>.

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Annex

Annex A9: List of consultations

Location	Organisation	Beneficiaries
UK	DFID	
UK	National Audit Office	
UK	Cabinet Office	
UK	FCO Somalia London Unit	
UK	Stabilisation Unit	
UK	Overseas Development Institute	
UK	University of Reading	
Kenya	DFID	
Kenya	World Bank	
Kenya	UNICEF	
Kenya	World Health Organisation	
Kenya	UNFPA	
Kenya	World Food Programme	
Kenya	FAO	
Kenya	Concern	
Kenya	Norwegian Refugee Council	
Kenya	SCI	
Kenya	CESVI – Cooperazione e Sviluppo Onlus	
Kenya	IRC	
Kenya	International Committee of the Red Cross	
Kenya	UNHCR – United Nations High Commission for Refugees	
Kenya	United Nations Office for the Coordination of Humanitarian Affairs – Common Humanitarian Funds	
Kenya	FCO	
Kenya	Adam Smith International	
Kenya	European Commission	
Kenya	TRANSTEC	
Kenya	EU	
Kenya	Trocaire	
Kenya	Save the Children	
Kenya	SAHAN Research and Development Organisation	
Somalia	Government of Somalia	
Somalia	Government of Somaliland	
Somalia	United Nations Assistance Mission in Somalia	
Somalia	UNICEF	
Somalia	World Health Organisation	
Somalia	UNFPA	
Somalia	United Nations Development Programme	
Somalia	Ministry of Foreign Affairs of Denmark - DANIDA	

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Location	Organisation	Beneficiaries
Somalia	Mott Mcdonald	
Somalia	FAO	
Somalia	Population Services International	
Somalia	Hargeisa Mother and Baby Clinic	25
Somalia	Hargeisa Health Clinic	10
Somalia	Puntland health	24
Somalia	Beer village economic development	25
DRC	DFID	
DRC	FCO	
DRC	World Bank	
DRC	European Union	
DRC	Belgian Technical Cooperation	
DRC	PricewaterhouseCoopers	
DRC	DAI	
DRC	UNICEF	
DRC	DRC National Assembly	
DRC	IMA World Health	
DRC	SANRU Rural Health Program	
DRC	Kasai Occidentale Provincial Assembly	
DRC	Réseau pour la Réforme du Secteur de Sécurité et de Justice	
DRC	IRC	
DRC	Mercy Corps	
DRC	UN Stabilisation Support Unit	
DRC	Régie de Distribution d'eau de la République Democratique du Congo	
DRC	Organisation pour l'Harmonisation en Afrique du Droit des Affaires	
DRC	UN Habitat	
DRC	Search for Common Ground	
DRC	International Alert	
DRC	United Nations Organisation Stabilisation Mission in the DRC	
DRC	Kasai Occidentale WASH	75
DRC	Kasai Occidentale Health	44
DRC	Kasai Occidentale Police Reform	36
DRC	North Kivu Tuungane	168
DRC	North Kivu Urban WASH	20
Total Beneficiaries		427

Abbreviations

BAR	DFID's Bilateral Aid Review
CHASE	Conflict, Humanitarian and Security Department
CPRD	DFID's Country Poverty Reduction Diagnostic
DAC	Development Assistance Committee
DFID	Department for International Development
DRC	Democratic Republic of Congo
EU	European Union
FAO	Food and Agriculture Organisation of the United Nations
FCO	Foreign and Commonwealth Office
FGD	Focus group discussion
GDP	Gross Domestic Product
GNI	Gross National Income
IDC	International Development Committee
JHNP	Joint Health and Nutrition Programme
KII	Key informant interview
MDGs	Millennium Development Goals
MOD	Ministry of Defence
NSC	National Security Council
NGO	Non-governmental organisation
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PSD	Private sector development
SAM	Severe acute malnutrition
SAVE	Secure Access in Volatile Environments
SEED	Sustainable Employment and Economic Development
SFD	Social Fund for Development
SGBV	Sexual and gender-based violence
SSAPR	Security Sector Accountability and Police Reform Programme
UN	United Nations
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
VDC	Village development committee
WASH	Water, sanitation and hygiene

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